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Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

**2012**Open to Public  
Inspection**A** For the **2012** calendar year, or tax year beginning **OCT 1, 2012** and ending **SEP 30, 2013**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>St. Luke's Wood River Medical Center, Ltd</b>		<b>D</b> Employer identification number <b>84-1421665</b>
	Doing Business As		<b>E</b> Telephone number <b>208-381-3790</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	<b>190 E. Bannock</b>		<b>G</b> Gross receipts \$ <b>53,800,407.</b>
	City, town, or post office, state, and ZIP code <b>Boise, ID 83702</b>		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) <b>H(c)</b> Group exemption number ▶
<b>F</b> Name and address of principal officer: <b>James Angle</b> same as (c) (See Schedule O for more detail)			
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
<b>J</b> Website: ▶ <b>www.stlukesonline.org</b>			
<b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation: <b>1996</b>	<b>M</b> State of legal domicile: <b>ID</b>

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>Provide healthcare services to the community.</b>	
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>16</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>12</b>
	<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	<b>0</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>225</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>0.</b>
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>0.</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b> <b>480,500.</b> <b>Current Year</b> <b>433,430.</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>50,945,208.</b> <b>53,236,462.</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>54,221.</b> <b>0.</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>33,227.</b> <b>4,439.</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>51,513,156.</b> <b>53,674,331.</b>
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>84,632.</b> <b>71,291.</b>
	<b>14</b> Benefits paid to or for members (Part IX column (A), line 4)	<b>0.</b> <b>0.</b>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>27,725,695.</b> <b>29,134,274.</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b> <b>0.</b>
	<b>b</b> Total fundraising expenses (Part IX, column (A), line 25) ▶ <b>398,889.</b>	
<b>Expenses</b>	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f, 24e)	<b>26,588,120.</b> <b>25,640,233.</b>
	<b>18</b> Total expenses - Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>54,398,447.</b> <b>54,845,798.</b>
	<b>19</b> Revenue less expenses - Subtract line 18 from line 12	<b>&lt;2,885,291.&gt;</b> <b>&lt;1,171,467.&gt;</b>
	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b> <b>54,373,080.</b> <b>End of Year</b> <b>53,649,913.</b>
<b>Net Assets or Fund Balances</b>	<b>21</b> Total liabilities (Part X, line 26)	<b>4,177,703.</b> <b>4,626,003.</b>
	<b>22</b> Net assets or fund balances - Subtract line 21 from line 20	<b>50,195,377.</b> <b>49,023,910.</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of officer <b>Peter DiDio</b>	Date <b>8/13/14</b>
	Peter DiDio, Vice-President, Controller Type or print name and title	
<b>Paid Preparer</b>	Print/Type preparer's name <b>Sharon Zorbach</b>	Preparer's signature <b>Sharon Zorbach</b>
	Date <b>8/7/14</b>	Check if self-employed <input type="checkbox"/> PTIN <b>P00125475</b>
<b>Use Only</b>	Firm's name ▶ <b>Deloitte Tax LLP</b>	Firm's EIN ▶ <b>86-1065772</b>
	Firm's address ▶ <b>225 W. Santa Clara St. San Jose, CA 95113</b>	Phone no. <b>408-704-4000</b>

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

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**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

Improve the health of people in the communities we serve by aligning  
physicians and other providers to deliver integrated, patient  
centered, quality care.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code \_\_\_\_\_) (Expenses \$ 33,776,101. including grants of \$ 71,291.) (Revenue \$ 42,654,723.)  
Medical & Surgical

Services at St. Luke's Wood River Medical Center include a 24-hour  
emergency department, outpatient surgery, diagnostics, maternity  
services, physical and occupational therapy, mammography, intensive care  
and medical/surgical units. During fiscal year 2013 St. Luke's Wood  
River Medical Center provided qualified inpatient care for 1,278  
admissions covering 3,316 patient days. They also provided patient care  
associated with 28,293 outpatient visits.

**4b** (Code \_\_\_\_\_) (Expenses \$ 10,710,471. including grants of \$ \_\_\_\_\_) (Revenue \$ 6,249,328.)  
Physician Services

Wood River has medical practices serving the following areas:  
Internal Medicine, OB/GYN, Family Medicine, Orthopedics, and  
Sports Medicine. In fiscal year 2013, the practices had 49,817 visits.

**4c** (Code \_\_\_\_\_) (Expenses \$ 3,382,827. including grants of \$ \_\_\_\_\_) (Revenue \$ 4,332,411.)  
Emergency and Transport

During Fiscal Year 2013, the emergency department had 6,897 patient  
visits.

**4d** Other program services (Describe in Schedule O)

(Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4e** Total program service expenses **47,869,399.**

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	

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**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>24d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
<b>25b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
<b>28b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
<b>28c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	X	
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
<b>35b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

**Note.** All Form 990 filers are required to complete Schedule O

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**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response to any question in this Part V ☐

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
<b>1b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
<b>1c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
<b>2b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
<b>3b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
<b>4b</b>	If "Yes," enter the name of the foreign country: <u>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</u>		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
<b>5b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
<b>5c</b>	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
<b>6b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>7a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
<b>7b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
<b>7c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
<b>7d</b>	If "Yes," indicate the number of Forms 8282 filed during the year		
<b>7e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
<b>7f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
<b>7g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
<b>7h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>9a</b>	Did the organization make any taxable distributions under section 4966?		
<b>9b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>10a</b>	Initiation fees and capital contributions included on Part VIII, line 12		
<b>10b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>11a</b>	Gross income from members or shareholders		
<b>11b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
<b>12b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>13a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.		
<b>13b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
<b>13c</b>	Enter the amount of reserves on hand		
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?		X
<b>14b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

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**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

☒
**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	16	
<b>1b</b> Enter the number of voting members included in line 1a, above, who are independent.	12	
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b> Did the organization have members or stockholders?	X	
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
<b>7b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body?	X	
<b>b</b> Each committee with authority to act on behalf of the governing body?	X	
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates?		X
<b>10b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>11b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13.	X	
<b>12b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>12c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done.	X	
<b>13</b> Did the organization have a written whistleblower policy?	X	
<b>14</b> Did the organization have a written document retention and destruction policy?	X	
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official	X	
<b>b</b> Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>16b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ☐ None

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

**19** Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization ☐  
 Peter DiDio Vice-President, Controller - 208-381-3790  
 190 E. Bannock, Boise, ID 83712

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII

☒**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
  - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
  - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
  - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
  - List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Jon Thorson, M.D. Board Chair	4.00	X		X				0.	0.	0.
(2) Mr. Peter Becker Vice-Chair, Finance	4.00	X		X				0.	0.	0.
(3) Ms. Cynthia Murphy Vice-Chair Qual. Perf. Improv.	4.00	X		X				0.	0.	0.
(4) Mr. Terry Ring Vice-Chair Planning and Facil.	4.00	X		X				0.	0.	0.
(5) Kathryn Woods, M.D. Chief of Medical Staff-Elect	4.00	X						0.	215,523.	17,424.
(6) Keith Sivertson, M.D. Chief of Medical Staff	4.00	X						0.	247,746.	25,843.
(7) A. Herbert Alexander, M.D. Director	4.00	X						0.	12,000.	0.
(8) Ms. Laurie Fitzpatrick Director	4.00	X						0.	0.	0.
(9) Mr. Ben Holmes Director	4.00	X						0.	0.	0.
(10) Mr. George Kirk Director	4.00	X						0.	0.	0.
(11) Mr. Keith Perry Director	4.00	X						0.	0.	0.
(12) Ms. Vicki Riedel Director	4.00	X						0.	0.	0.
(13) Mr. Roger Sanger Director	4.00	X						0.	0.	0.
(14) Ms. Lou Ann Terry Director	4.00	X						0.	0.	0.
(15) Mr. Eric Thomas Director	4.00	X						0.	0.	0.
(16) Mr. Cody Langbehn Chief Executive Officer	40.00	X		X				0.	284,075.	19,768.
(17) Joseph Rodriguez, M.D. Director (thru Dec-2012)	40.00	X						0.	288,585.	35,070.



**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Ms. Penny Weis Director (thru June-2013)	4.00	X						0.	0.	0.
(19) Daniel B. Judd, M.D. Physician	40.00					X		0.	618,442.	30,171.
(20) Steven Karassik, M.D. Physician	40.00					X		0.	419,512.	20,581.
(21) Stephen A. Wasilewski, M.D. Physician	40.00					X		0.	341,617.	33,298.
(22) Richard F. Paris, M.D. Physician	40.00					X		0.	295,605.	39,955.
(23) Dan Fairman, M.D. Physician	40.00					X		0.	274,735.	32,119.
<b>1b Sub-total</b>								0.	2,997,840.	254,229.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								0.	2,997,840.	254,229.

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
<b>3</b>		X
<b>4</b>	X	
<b>5</b>		X

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
Big Wood Anesthesia Associates, PLLC P.O. Box 987, Ketchum, ID 83340-0987	Anesthesia Services	1,200,000.
Martin B. Durtschi, M.D. P.O. Box 6885, Ketchum, ID 83340	Medical Services	388,831.
Emergency Medicine of Idaho, 13960 W. Wainwright, Suite A, Boise, ID 83713	Emergency Medicine Services	222,600.
Idaho ELKS Rehabilitation Hospital 600 N. Robbins Road, Boise, ID 83702	Rehabilitation Services	185,240.
Sawtooth Diagnostic Imaging P.O. Box 9649, Boise, ID 83707	Imaging Services	146,610.

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **8**

**Part VIII Statement of Revenue**Check if Schedule O contains a response to any question in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	20,673.				
	e Government grants (contributions)	1e	412,757.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f \$						
	h <b>Total.</b> Add lines 1a-1f			433,430.			
<b>Program Service Revenue</b>	2 a Net Patient Revenue	Business Code	900099	52,551,217.	52,551,217.		
	b VHA Cash/Investment/Eq		900009	121,768.	121,768.		
	c						
	d						
	e						
	f All other program service revenue		900099	563,477.	563,477.		
	g <b>Total.</b> Add lines 2a-2f			53,236,462.			
	<b>Other Revenue</b>	3 Investment income (including dividends, interest, and other similar amounts)					
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross rents		(i) Real	(ii) Personal				
b Less rental expenses							
c Rental income or (loss)							
d Net rental income or (loss)				4,439.			4,439.
7 a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other				
b Less: cost or other basis and sales expenses							
c Gain or (loss)							
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		a					
b Less: direct expenses		b					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities See Part IV, line 19		a					
b Less: direct expenses	b						
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
<b>Miscellaneous Revenue</b>			Business Code				
11 a							
b							
c							
d All other revenue							
e <b>Total.</b> Add lines 11a-11d							
12 <b>Total revenue.</b> See instructions.				53,674,331.	53,236,462.	0.	4,439.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	71,291.	71,291.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	787,319.		787,319.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	23,173,863.	20,242,235.	2,746,477.	185,151.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,643,497.	1,392,077.	238,687.	12,733.
9 Other employee benefits	1,995,401.	1,690,095.	289,786.	15,520.
10 Payroll taxes	1,534,194.	1,299,495.	222,813.	11,886.
11 Fees for services (non-employees)				
a Management	2,643,953.	1,996,892.	647,061.	
b Legal	91,406.		91,406.	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	307,016.	307,016.		
12 Advertising and promotion	131,001.	6,320.	124,544.	137.
13 Office expenses	491,454.	60,689.	428,044.	2,721.
14 Information technology	1,961,277.	1,961,277.		
15 Royalties				
16 Occupancy	155,624.	142,149.	13,475.	
17 Travel	291,297.	178,828.	94,137.	18,332.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,740,330.	3,740,330.		
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Supplies	7,553,746.	7,340,490.	170,862.	42,394.
b Provision For Bad Debt	2,265,199.	2,265,199.		
c Contract Service	1,121,821.	921,595.	144,647.	55,579.
d Repairs Expense	900,551.	793,435.	107,116.	
e All other expenses	3,985,558.	3,459,986.	471,136.	54,436.
25 Total functional expenses. Add lines 1 through 24e	54,845,798.	47,869,399.	6,577,510.	398,889.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

**Part X Balance Sheet**Check if Schedule O contains a response to any question in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing		<b>1</b>	
	<b>2</b> Savings and temporary cash investments		<b>2</b>	
	<b>3</b> Pledges and grants receivable, net		<b>3</b>	
	<b>4</b> Accounts receivable, net	7,367,597.	<b>4</b>	7,300,253.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr) Complete Part II of Sch L		<b>6</b>	
	<b>7</b> Notes and loans receivable, net		<b>7</b>	
	<b>8</b> Inventories for sale or use	1,852,487.	<b>8</b>	1,804,124.
	<b>9</b> Prepaid expenses and deferred charges	94,972.	<b>9</b>	43,520.
	<b>10a</b> Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 75,335,396.		
	<b>b</b> Less: accumulated depreciation	<b>10b</b> 35,194,098.	<b>10c</b>	40,141,298.
	<b>11</b> Investments - publicly traded securities		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11		<b>13</b>	
	<b>14</b> Intangible assets	244,833.	<b>14</b>	413,367.
	<b>15</b> Other assets. See Part IV, line 11	2,772,870.	<b>15</b>	3,947,351.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	54,373,080.	<b>16</b>	53,649,913.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses	3,547,050.	<b>17</b>	3,628,003.
	<b>18</b> Grants payable		<b>18</b>	
	<b>19</b> Deferred revenue		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	630,653.	<b>25</b>	998,000.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25	4,177,703.	<b>26</b>	4,626,003.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	49,978,305.	<b>27</b>	48,895,703.
	<b>28</b> Temporarily restricted net assets	217,072.	<b>28</b>	128,207.
	<b>29</b> Permanently restricted net assets		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
	<b>33</b> <b>Total net assets or fund balances</b>	50,195,377.	<b>33</b>	49,023,910.
	<b>34</b> <b>Total liabilities and net assets/fund balances</b>	54,373,080.	<b>34</b>	53,649,913.

Form **990** (2012)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI ☐

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	53,674,331.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	54,845,798.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	<1,171,467.>
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	50,195,377.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	49,023,910.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII ☐

- 1** Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
<b>2a</b>		X
<b>2b</b>	X	
<b>2c</b>	X	
<b>3a</b>		X
<b>3b</b>		

Form **990** (2012)

Department of the Treasury  
Internal Revenue Service

**Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.**

OMB No 1545-0047

# 2012

**Open to Public Inspection**

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

<b>Part I</b>	<b>Reason for Public Charity Status</b> (All organizations must complete this part.) See instructions.
---------------	--

The organization is not a private foundation because it is (For lines 1 through 11, check only one box )

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I      b ☐ Type II      c ☐ Type III - Functionally integrated      d ☐ Type III - Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

h Provide the following information about the supported organization(s).

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

[illegible]

**LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2012

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 <b>Total.</b> Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 <b>Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> ► <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	%
16a <b>33 1/3% support test - 2012.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
b <b>33 1/3% support test - 2011.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
17a <b>10% -facts-and-circumstances test - 2012.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
b <b>10% -facts-and-circumstances test - 2011.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2012

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets. (Explain in Part IV.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	%
<b>16</b> Public support percentage from 2011 Schedule A, Part III, line 15	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	%
<b>18</b> Investment income percentage from 2011 Schedule A, Part III, line 17	<b>18</b>	%

**19a 33 1/3% support tests - 2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

**b 33 1/3% support tests - 2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐



**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

► Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

**2012**

Open to Public  
Inspection

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
(ii) Assets included in Form 990, Part X	► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1	► \$ _____
b Assets included in Form 990, Part X	► \$ _____

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition  
 b ☐ Scholarly research  
 c ☐ Preservation for future generations

- d ☐ Loan or exchange programs  
 e ☐ Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
1c	
1d	
1e	
1f	

- c Beginning balance  
 d Additions during the year  
 e Distributions during the year  
 f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment  %  
 b Permanent endowment  %  
 c Temporarily restricted endowment  %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations  
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,469,628.		4,469,628.
b Buildings		50,351,805.	19,055,777.	31,296,028.
c Leasehold improvements				
d Equipment		20,364,073.	16,138,321.	4,225,752.
e Other		149,890.		149,890.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				40,141,298.

Schedule D (Form 990) 2012

**Part VII Investments - Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.** See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) Physician Loans	11,111.
(2) Due from related organizations	3,722,692.
(3) Restricted funds	213,548.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15 )	3,947,351.

**Part X Other Liabilities.** See Form 990, Part X, line 25

1.	(a) Description of liability	(b) Book value
(1)	Federal income taxes	
(2)	Due to Medicare/Medicaid	998,000.
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.)		998,000.

2. FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	

**Part XIII Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Form 990 Schedule D, Part X, Line 2:

Footnote Disclosure-Uncertain Tax Positions Under FIN #48

(Source: Consolidated Financial Statements-St. Luke's Health System)

"The Health System is subject to federal excise tax on its

unrelated business taxable income(UBTI). For the period ended

September 30, 2013, the Company had approximately \$3,947,000 of

Schedule D (Form 990) 2012

**Part XIII** Supplemental Information *(continued)*

UBTI Net Operating Losses from operating losses incurred from

1999 to 2013 which expire in years 2014 to 2028. The Health System

does not believe it is more likely than not they will utilize these losses

prior to their expiration and as such has provided a full valuation

allowance against these losses."

**SCHEDULE H**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Hospitals**

► **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**  
► **Attach to Form 990. ► See separate instructions.**

OMB No 1545-0047

**2012**

**Open to Public Inspection**

Name of the organization **St. Luke's Wood River Medical Center, Ltd** Employer identification number **84-1421665**

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

	Yes	No
<b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
<b>1b</b> If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
<b>2</b> If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year		
<input checked="" type="checkbox"/> Applied uniformly to all hospital facilities		
<input type="checkbox"/> Applied uniformly to most hospital facilities		
<input type="checkbox"/> Generally tailored to individual hospital facilities		
<b>3</b> Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year		
<b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care?		
If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:		
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>185</u> %	<input checked="" type="checkbox"/>	
<b>b</b> Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:		
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
<b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care		
<b>4</b> Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
<b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
<b>5b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	<input checked="" type="checkbox"/>	
<b>5c</b> If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		<input checked="" type="checkbox"/>
<b>6a</b> Did the organization prepare a community benefit report during the tax year?		<input checked="" type="checkbox"/>
<b>6b</b> If "Yes," did the organization make it available to the public?		

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
<b>a</b> Financial Assistance at cost (from Worksheet 1)			1,218,832.		1,218,832.	2.32%
<b>b</b> Medicaid (from Worksheet 3, column a)			2,436,461.	3,119,908.	<683,447.>	.00%
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b)			160,619.	65,190.	95,429.	.18%
<b>d</b> Total Financial Assistance and Means-Tested Government Programs			3,815,912.	3,185,098.	630,814.	2.50%
Other Benefits						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4)			270,234.	30,325.	239,909.	.46%
<b>f</b> Health professions education (from Worksheet 5)						
<b>g</b> Subsidized health services (from Worksheet 6)						
<b>h</b> Research (from Worksheet 7)						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8)			250.		250.	.00%
<b>j</b> Total Other Benefits			270,484.	30,325.	240,159.	.46%
<b>k</b> Total. Add lines 7d and 7j			4,086,396.	3,215,423.	870,973.	2.96%



## Section A. Hospital Facilities



**Part V Facility Information** (continued)**Section B. Facility Policies and Practices**

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or facility reporting group St. Luke's Wood River Medical CenterFor single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

	Yes	No
<b>Community Health Needs Assessment</b> (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1 X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA. 20 <u>12</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X
5 Did the hospital facility make its CHNA report widely available to the public?	5 X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website		
b <input checked="" type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

**Part V Facility Information** (continued) St. Luke's Wood River Medical Center

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 185 %			
If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Part VI the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input checked="" type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Other (describe in Part VI)		
13	Explained the method for applying for financial assistance?	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply).			
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input checked="" type="checkbox"/> Other (describe in Part VI)		
<b>Billing and Collections</b>			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine patient's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Part VI)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged			
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Part VI)		

Schedule H (Form 990) 2012

**Part V Facility Information** (continued) St. Luke's Wood River Medical Center

**18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- a ☐ Notified individuals of the financial assistance policy on admission
- b ☐ Notified individuals of the financial assistance policy prior to discharge
- c ☐ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Part VI)

**Policy Relating to Emergency Medical Care**

**19** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?

	Yes	No
<b>19</b>	X	

If "No," indicate why

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

**Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)**

**20** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☒ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☐ Other (describe in Part VI)

**21** During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?

<b>21</b>		X
<b>22</b>		X

If "Yes," explain in Part VI.

**22** During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Part VI.

Schedule H (Form 990) 2012



**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

Part I, Line 3c:

(A) St. Luke's does provide charity care services to patients who

meet one or both of the following guidelines based on income

and expenses:

1. Income. Patients whose family income is equal to or less than

400% of the then current Federal Poverty Guideline are eligible

for possible fee elimination or reduction on a sliding scale.

2. Expenses. Patients may be eligible for charity care if his or

her allowable medical expenses have so depleted the family's

income and resources that he or she is unable to pay for eligible

services. The following two qualifications must apply:

a. Expenses-The patients allowable medical expenses must be

greater than 30% of the family income. Allowable medical

expenses are the total of the family medical bills that,

if paid, would qualify as deductible medical expenses for

Federal income tax purposes without regard to whether the

expenses exceed the IRS-required threshold for taking the

**Part VI** Supplemental Information

deduction. Paid and unpaid bills may be included.

b. Resources-The patient's excess medical expenses must be

greater than available assets. Excess medical expenses are

the amount by which allowable medical expenses exceed 30%

of the family income. Available assets do not include the

primary residence, the first motor vehicle, and a resource

exclusion of the first \$4,000 of other assets for an

individual, or \$6,000 for a family of two, and \$1,500 for

each additional family member.

(B) Service Exclusions:

1. Services that are not medically necessary (e.g. cosmetic

surgery) are not eligible for charity care.

2. Eligibility for charity care for a patient whose need for services

arose from injuries sustained in a motor vehicle accident where

the patient, driver, and/or owner of the motor vehicle had a motor

vehicle liability policy, and only if a claim for payment has been

properly submitted to the motor vehicle liability insurer, where

applicable.

(C) Eligibility Approval Process:

1. St. Luke's screens patient for other sources of coverage and

eligibility in government programs. St. Luke's documents the

results of each screening. If St. Luke's determines that a

patient is potentially eligible for Medicaid or another

government program, then St. Luke's shall encourage the patient to

apply for such a program and shall assist the patient in applying

for benefits under such a program.

**Part VI Supplemental Information**

2. The patient must complete a Financial Assistance Application and provide required supporting documentation in order to be eligible.

3. St. Luke's verifies reported family and compares to the latest Poverty Guidelines published by the U.S. Department of Health and Human Services.

4. St. Luke's verifies reported assets.

5. St. Luke's provides a written notice of determination of eligibility to the patient or the responsible party within 10 business days of receiving a completed application and the required supporting documentation.

6. St. Luke's reserves the right to run a credit report on all patients applying for charity care services.

(D) Eligibility Period: The determination that an individual is approved for charity care will be effective for six months from the date the application is submitted, unless during that time the patient's family income or insurance status changes to such an extent that the patient becomes ineligible.

**Part I, Line 6a:**

St. Luke's Wood River Medical Center, Ltd. is not required under Idaho Law to file a community benefit report, since its total licensed beds are less than the minimum 150 bed requirement threshold. (Wood River has 25 licensed beds.) Moreover, the activity of St. Luke's Wood River Medical Center, Ltd. is not included in the community benefit report within any of its related organizations within the St. Luke's Health System.

**Part I, Line 7:**

**Part VI Supplemental Information**

The cost to charge ratio was used to calculate charity care at cost.

Worksheet S-10 of the FY'13 Medicare Cost Report was the source of

information for unreimbursed Medicaid costs.

Part I, Ln 7 Col(f):

Bad Debt is defined as expenses resulting from services provided to a patient and/or guarantor who, having the requisite financial resources to pay for health care services, has demonstrated an unwillingness to do so.

Amount of bad debt expense included in Form 990, Part IX, line 25 is

\$2,265,199.

Line 7(b) Medicaid Surplus

Any surplus amounts resulting from Medicaid reimbursements exceeding allowable costs must be remitted back to the Idaho Department of Health and Welfare, Medicaid Division.

Part II:

The community building activities reported for St. Luke's Wood River

Medical Center include the following:

Community Health Improvement Advocacy:

Advocates Gala Event

Event sponsorship for the Advocates to prevent domestic violence and

sexual assault in the community through education, shelter, and



**Part VI** Supplemental Information

supportive services.

Center for Community Health Involvement (CCH)

Participation in a variety of boards that CCH staff represent, including La

Alianza, Habitat for Humanity, The Advocates for Domestic Violence, and

The Community Drug Coalition.

Girls on the Run

Sponsorship of 5K and Healthy Living Expo. Girls on the Run Wood River is

an after school program to support and empower 3rd-5th grade girls with

tools for self esteem and good health.

Part III, Line 4:

St. Luke's Wood River Medical Center, Ltd. grants credit without

collateral to its patients, most of whom are local residents and many of

whom are insured under third-party agreements. The allowance for estimated

uncollectible amounts is determined by analyzing both historical

information (write-offs by payor classification), as well as current

economic conditions.

Part III, Line 8:

100% of the shortfall in Medicare reimbursement is considered a community

benefit. St. Luke's Wood River Medical Center, Ltd. provides medical

care to all patients eligible for Medicare regardless of the shortfall

and thereby relieves the Federal Government of the burden for paying the

full cost of Medicare.

**Part VI Supplemental Information**

The source of the information is the Medicare Cost Report for fiscal year

2013. The amount is calculated by comparing the total Medicare apportioned

costs(allowable costs)to interim payments received during FY'13.

Part III, Line 9b:

All subsidiaries within the St. Luke's Health System have policies in

place to provide financial assistance to those who meet established

criteria and need assistance in paying for the amounts billed for their

provided health care services. In addition, the collection policies and

practices in place within the St. Luke's Health System provide guidance to

patients on how to apply for this assistance. Collection of amounts due

may be pursued in cases where the patient is unable to qualify for charity

care or financial assistance and the patient has the financial resources

to pay for the billed amounts.

Part III: Section B, Medicare, Line 7

Medicare Surplus Explanation

Since St. Luke's Wood River Medical Center, Ltd. is classified as

a Critical Access Hospital, Medicare reimbursements are based on

its allowable costs(calculated as 101% multiplied by allowable cost,

minus co-payments and deductibles)incurred during the fiscal year.

At the end of each fiscal year, the interim reimbursements received

by the hospital(based on prior year Medicare Cost Reports)are

compared to its calculated allowable costs. If the interim

reimbursements are greater than allowable costs, then the hospital

must remit the surplus amount to the CMS fiscal intermediary.

**Part VI** Supplemental Information

## Part V, Section A:

Located within the St. Luke's Wood River Hospital Complex are various  
provider-based physician clinics that provide services in the areas of  
Family Medicine, Internal Medicine, General Surgery, and Obstetrics and  
Gynecology. The address for this location is:

St. Luke's Wood River Medical Center

100 Hospital Drive

Ketchum, Idaho 83340

St. Luke's Wood River Medical Center:

## Part V, Section B, Line 3:

A series of interviews with and surveys (questionnaires) of community  
representatives and leaders representing the broad interests of our  
community were conducted in order to assist us in  
defining, prioritizing, and understanding our most important community  
needs. Many leaders that participated in our process were individuals who  
have devoted decades to helping others lead healthier and more independent  
lives. All of the leaders we interviewed have significant knowledge of our  
community. To ensure they came from distinct and varied backgrounds, we  
included multiple representatives from each of these categories:

Category I: Persons with special knowledge of or expertise in  
public health

Category II: Federal, Regional, State, or Local health or other

**Part VI Supplemental Information**

departments or agencies (with current data or other

information relevant to the health needs of the community

served by the hospital)

Category III: Leaders, representatives, or members of medically

underserved, low income, and minority populations, and

populations with chronic disease needs

Each potential need was scored by the community representative on a scale

of 1 to 10. Higher scores represent potential needs the community

representatives believed were important to address with additional

resources. Lower scores usually meant our leaders thought our community

was healthy in that area already or had relatively good programs

addressing the potential need. These scores were incorporated directly

into our health need prioritization process. In addition, we invited the

leaders to suggest programs, legislation, or other measures they believed to

be effective in addressing the needs.

The following community leaders/representatives were contacted:

(1) Blaine County

(2) Blaine County School District

(3) Emmanuel Episcopal Church

(4) The Senior Connection

(5) Blaine County Center for the College of Southern Idaho

(6) Hailey/Bellevue Police

(7) Idaho Department of Health and Welfare

(8) Woodside Elementary

**Part VI Supplemental Information**

- (9) South Central Public Health
- (10) Hospice and Palliative Care of the Wood River
- (11) The Advocates for Survivors of Domestic Violence
- (12) St. Luke's Center for Community Health
- (13) Boise VA Medical Center
- (14) Idaho Department of Labor: Obtained unemployment information
- (15) College of Southern Idaho Office on Aging
- (16) Family Medicine Residency of Idaho
- (17) Substance Abuse and Mental Health Services Administration
- U.S. Department of Health and Human Services, Region X
- (18) Coordinator of the CARES(Children at Risk Evaluation Services)
- at St. Luke's Magic Valley Regional Medical Center

St. Luke's Wood River Medical Center:

Part V, Section B, Line 7:

We organized our significant health needs into four groups:

Program Group 1: Behavioral Health and Substance Abuse Services and

Programs

- Alcohol
- Illicit Drug Use
- Mental illness
- Suicide
- Mental health service providers
- Vehicle crash death rate

Program Group 2: Weight Management and Fitness

**Part VI Supplemental Information**

-Obese/overweight adults

-Obese/overweight teens

-Teen Exercise

Program Group 3: Barriers to Access

-Children and family services

-Substance abuse programs

-Suicide prevention

-Availability of mental health service providers

Program Group 4: Additional Health Screening and Education Programs Ranked

above the Median

-Breast Cancer

-Cerebrovascular disease

-Sexually transmitted infections

-Teen birth rate

-Cholesterol

-Diabetic screening

-Smoking

Next we examined whether it would be effective and efficient for St.

Luke's Wood River, as a critical access hospital, to address each

significant health need directly. To make this determination, we reviewed

the resources we had available and determined whether the health need was

in alignment with our mission and strengths. Where a high priority need

was not in alignment with our mission and strengths, St. Luke's Wood River

tried to identify a community group or organization better able to serve

the need.

**Part VI** Supplemental Information

Significant community health needs not addressed by St. Luke's Wood River

are as follows:

(1) Tobacco cessation programs

Tobacco cessation is not a strength of St. Luke's Wood River,  
and as a critical access hospital we will focus our limited  
resources on higher priority needs. St. Luke's will indirectly  
support tobacco cessation programs by referring to our community  
partners who provide them.

(2) Children and Family Service

St. Luke's Wood River will not develop its own children and family  
support services due to resource constraints and because this need  
has low alignment with our mission and strengths. However, we will  
provide financial sponsorship support to organizations in our  
community serving this need because the need is ranked above the  
median. St. Luke's will also indirectly support this need through  
informational and referral services offered from our St. Luke's  
Center for Community Health Office. The organizations St. Luke's  
sponsors are described in our Implementation Plan.

(3) Homeless Services

Although this need is ranked above the median, St. Luke's will not  
develop its own homeless services programs due to resource constraints  
and because this need has a low alignment with our mission and

**Part VI Supplemental Information**

strengths. However, we will provide financial sponsorship support to organizations in our community serving this need because the need is ranked above the median. St. Luke's will also indirectly support this need through informational and referral services offered from our St. Luke's Center for Community Health Office. The organizations St. Luke's sponsors are described in the following section of this Implementation Plan.

St. Luke's Wood River Medical Center:

Part V, Section B, Line 14g:

A Financial Care application is provided to the patient which contains Patient Financial Advocate contact information.

Part VI, Line 2:

A Community Health Needs Assessment (CHNA) was conducted for fiscal year ending 9/30/2013. Information related to the 2013 CHNA is shown in the responses to questions 3 and 7 of "Part V, Section B, Facility Policies and Practices".

A complete copy of the CHNA assessments for all of the hospitals operating within the St. Luke's Health System can be found at the following website:

[http://www.stlukesonline.org/about\\_us/chna.php](http://www.stlukesonline.org/about_us/chna.php)

Part VI, Line 3:



**Part VI** Supplemental Information

(A) St. Luke's Wood River Medical Center provides notice of the

availability of financial assistance via:

1. Signage

2. Patient brochure

3. Billing Statement

4. Written collection action letter

5. Online at [www.stlukesonline.org/billing](http://www.stlukesonline.org/billing)

(B) All notices are translated into the following language: Spanish

(C) St. Luke's provides individual notice of the availability of

financial assistance to a patient expected to incur charges that may

not be paid in full by third party coverage, along with an estimate

of the patient's liability.

(D) For cases in which St. Luke's independently determines patient

eligibility for financial assistance, St. Luke's provides written

notice of determination that the patient is or is not eligible

within 10 business days of receiving a completed application and the

required supporting documentation.

Part VI, Line 4:

St. Luke's Wood River Medical Center, Ltd. serves the health care needs

of people living in the greater Blaine County area.

The criteria used in selecting this area as the primary service area

was to include the entire population of the county or counties where

**Part VI** Supplemental Information

greater than 70% of the inpatients reside. The residents of Blaine

County comprise about 74% of inpatients served.

Both Idaho and the primary service area are comprised of about 95% white

population while the nation as a whole is 72% white. The Hispanic

population in Idaho represents 11% of the overall population and about 20%

of the defined service area.

Idaho experienced a 21% increase in population from 2000 to 2010 ranking

it as the fourth fastest growing state in the country. Blaine County has

followed that trend experiencing a 13% increase in population within that

timeframe. The service area is expected to grow by over 20% by the year

2020. St. Luke's Wood River is constantly working to manage the volume and

scope of its services in order to meet the needs of an increasing

population.

Over the past ten years the 45 to 64 year old age group was the

fastest growing segment of the service area. Over the next ten

years, however, the 65 years or older age group is expected to grow by

about 50% making it the fastest growing segment. Currently, about 12%

of the people in the service area are over the age of 65, and by about 2020

about 19% of the population is expected to be over the age of 65.

The official United States poverty rate increased from 13.3% in 2005 to

15.3% in 2010. The service area poverty rate has also increased since

2005. In 2005 it was 7.1% and by 2010 it was about 10.1% but still

well below the national average. The poverty rate in the service area

for children under the age of 18 is 14.6%, which is also up over the

**Part VI** Supplemental Information

past several years but well below the national average.

Median income in the United States has risen by 8% since 2005. Despite decreasing by over 10% since 2007, median income in Blaine County is still significantly higher than the national median income.

Part VI, Line 5:

Our community board serves without pay for the Board and its various committees, and many of these committees have at large community members. Health fairs are sponsored each year at very little or no cost to the community and are held in three different locations to better serve the community. The hospital sponsors various speakers during the year for medical related issues that are open to the public and very well attended (Brown Bag).

Part VI, Line 6:

As the only Idaho-based not-for-profit health system, St. Luke's Health System is part of the communities we serve, with local physicians and boards who further our organization's mission "To improve the health of the people in our region." Working together, we share resources, skills, and knowledge to provide the best possible care, no matter which of our hospitals provide that care. Each St. Luke's Health System hospital is nationally recognized for excellence in patient care, with prestigious awards and designations reflecting the exceptional care that is synonymous with the St. Luke's name.

St. Luke's Health System provides facilities and services across the region, covering a 150-mile radius that encompasses southern and central

**Part VI** Supplemental Information

Idaho, northern Nevada, and eastern Oregon-bringing care close to home and

family. The following entities are part of the St. Luke's Health System:

(1) St. Luke's Regional Medical Center, Ltd. with the following locations:

--St. Luke's Boise Hospital

--St. Luke's Meridian Hospital

--St. Luke's Childrens Hospital

--St. Luke's Boise/Meridian Physician Clinics

--St. Luke's Nampa Emergency Department

--St. Luke's Eagle Urgent Care

--St. Luke's Elmore Hospital

(2) St. Luke's Wood River Medical Center, Ltd. which consists of

a critical access hospital located in Ketchum, Idaho as well

as various physician clinics.

(3) St. Luke's Magic Valley Regional Medical Center, Ltd. which consists

of the following:

--St. Luke's Magic Valley Hospital-Twin Falls, Idaho

--Various St. Luke's Physician Clinics in Twin Falls.

--Canyon View-(Behavioral Health)

(4) St. Luke's McCall, Ltd. which consists of a critical access

hospital located in McCall, Idaho as well as various physician

clinics.

(5) Mountain States Tumor Institute(MSTI) is the region's largest

provider of cancer services and a nationally recognized leader in

**Part VI Supplemental Information**

cancer research. MSTI provides advanced care to thousands of cancer

patients each year at clinics in Boise, Fruitland, Meridian, Nampa,

and Twin Falls, Idaho. MSTI is home to Idaho's only cancer treatment

center for children, only federally sponsored center for

hemophilia, and only blood and marrow transplant program.

MSTI's services and therapies include breast care services, blood and

marrow transplant, chemotherapy, genetic counseling, hematology,

hemophilia treatment, hospice, integrative medicine, marrow donor

center, mobile mammography, mole mapping, nutritional counseling,

PET/CT scanning, patient/family support, pediatric oncology, radiation

therapy, rehabilitation, research and clinical trials, Schwartz Center

Rounds for Caregivers, spiritual care, support groups/classes, tumor

boards, and Wound Ostomy, and Continence Nursing.

MSTI is expanding as rapidly as today's cancer treatment. Patients

can now visit a MSTI clinic or Breast Cancer detection center at 12

different locations in southwest Idaho and Eastern Oregon. Locations

include Boise, Meridian, Nampa, Twin Falls, and Fruitland.

(6) St. Luke's Jerome, Ltd. which consists of a critical access

hospital located in Jerome, Idaho as well as one physician clinic.

St. Luke's physician clinics and services are provided in partnership with

area physicians and other health care professionals. These include:

Cardiovascular; Child Abuse and Neglect Evaluation; Endocrinology; Ear,

Nose, and Throat; Family Medicine; Gastroenterology; General

Surgery; Hypertensive Disease; Internal Medicine; Maternal/Petal

**Part VI Supplemental Information**

Medicine; Medical Imaging; Metabolic and Bariatric Surgery; Nephrology;

Neurology; Neurosurgery; Obstetrics/Gynecology; Occupational Medicine;

Orthopedics; Outpatient Rehabilitation; Plastic Surgery; Psychiatry and

Addiction; Pulmonary Medicine; Sleep Disorders; and Urology.

In addition, St. Luke's partners with other regional facilities through  
management service contracts. These partners include:

(1) Challis Area Health Center

(2) North Canyon Medical Center

(3) Salmon River Clinic

(4) Weiser Memorial Hospital

**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

OMB No 1545-0047

**2012**

Open to Public  
Inspection

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number  
84-1421665

**Part I General Information on Grants and Assistance**

**1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No

**2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Hands of Hope Northwest, Inc. 1201 Powerline Rd Nampa, ID 83686	84-1398889	501(c)(3)	0.	11,724.	FMV	Medical equipment	Donated durable medical equipment for people in need in the Wood River Valley.
Sustain Blaine Incorporated P.O. Box 4380 Ketchum, ID 83340	27-1290378	501(c)(6)	15,000.	0.			Provide general support for the Sustain Blaine projects and programs.
St Luke's Wood River Foundation, Inc. - P.O. Box 7005 - Ketchum, ID 83340	23-7288535	501(c)(3)	8,104.	0.			Provide funding to cover the operational needs of the Foundation.
Wood River Economic Partnership, Inc. - P.O. Box 827 - Ketchum, ID 83340	20-8868068	501(c)(6)	6,000.	0.			Donation for annual membership.

**2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

**3** Enter total number of other organizations listed in the line 1 table

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2012)





**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

**For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

**2012**

**Open to Public Inspection**

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☐ First-class or charter travel

☐ Travel for companions

☐ Tax indemnification and gross-up payments

☐ Discretionary spending account

☐ Housing allowance or residence for personal use

☐ Payments for business use of personal residence

☐ Health or social club dues or initiation fees

☐ Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

☐ Compensation committee

☐ Independent compensation consultant

☐ Form 990 of other organizations

☐ Written employment contract

☐ Compensation survey or study

☐ Approval by the board or compensation committee

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization

**a** Receive a severance payment or change-of-control payment?

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

**a** The organization?

**b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

**a** The organization?

**b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

X

X

X

X

X

X

X

X

X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2012



Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

Part I, Line 3:

Compensation for the organization's CEO is determined by St. Luke's Health

System, Ltd. (System), sole member of St. Luke's Wood River Medical

Center, Ltd. (SLWRMC). The System board approves the compensation amount per

the recommendation of its compensation committee, and the decision is then

reviewed and ratified by the board of directors for SLWRMC.

In determining compensation for the CEO, the System board utilizes the

following criteria:

Compensation Committee

Independent compensation consultant

Compensation survey or study

Approval by the board or compensation committee

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**

▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

# 2012

### Open To Public Inspection

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

<b>Part I</b>	<b>Excess Benefit Transactions</b> (section 501(c)(3) and section 501(c)(4) organizations only)
---------------	---

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

[illegible]

**2** Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958

► \$

**3** Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

► \$

<b>Part II</b>	<b>Loans to and/or From Interested Persons.</b>
----------------	---

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
Total						\$						

<b>Total</b>		\$
--------------	--	----

<b>Part III</b>	<b>Grants or Assistance Benefiting Interested Persons.</b>
-----------------	--

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

[illegible]

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2012

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Alexander Orthopedics	Board member has ow	756,711.	St. Luke's		X

**Part V Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Alexander Orthopedics

(b) Relationship Between Interested Person and Organization:

Board member has ownership interest

(c) Amount of Transaction \$ 756,711.

(d) Description of Transaction:

St. Luke's Wood River (SLWR) has a Professional Services Agreement

with Alexander Orthopedics, P.A. Also, during FY'13, SLWR purchased

medical practice assets, tangible and intangible, from Alexander

Orthopedics. Amount of the asset purchase was \$413,969.

(e) Sharing of Organization Revenues? = No

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2012**

Open to Public  
Inspection

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

**Form 990 Part I**

Line 1F: Name and address of principal officer

Effective April 1, 2014, the Board of Directors for St. Luke's

Magic Valley Regional Medical Center, Ltd., ("SLMV") became the

fiduciary board for St. Luke's Wood River Medical, Ltd. With this

change, James Angle, Chief Executive Officer for SLMV, also became

Chief Executive Officer over St. Luke's Wood River Medical Center, Ltd.

It should be noted, however, that with this change in governance

St. Luke's Health System, Ltd. is still the sole member of

St. Luke's Wood River Medical Center, Ltd.

Form 990, Part VI, Section A, line 6:

St. Luke's Health System, Ltd. is the sole member of St. Luke's Wood River

Medical Center, Ltd.

Form 990, Part VI, Section A, line 7a:

St. Luke's Wood River Medical Center, Ltd. (Corporation) and St. Luke's Health

System, Ltd. (Member) cooperatively select and employ the CEO of the

Corporation. St. Luke's Health System, Ltd. is the sole member of the

Corporation.

Form 990, Part VI, Section A, line 7b:

St. Luke's Health System, Ltd. (Member) maintains approval and implementation

authority over St. Luke's Wood River Medical Center, Ltd. (Corporation).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2012)

232211  
01-04-13

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

Actions requiring approval authority may be initiated by either the Corporation or its Member, but must be approved by both the Corporation (by action of its Board of Directors) and the Member. Actions requiring approval authority of the Member include:

(a) Amendment to the Articles of Incorporation;

(b) Amendment to the Bylaws of the Corporation;

(c) Appointment of members of the Corporation's Board of Directors, other than ex officio directors;

(d) Removal of an individual from the Corporation's Board of Directors if and when removal is requested by the Corporation's Board of Directors, which request may only be made if the Director is failing to meet the reasonable expectations for service on the Corporation's Board of Directors that are established by the Member and are uniform for the Corporation and for all of the other hospitals for which the Member then serves as the sole corporate member.

(e) Approval of operating and capital budgets of the Corporation, and deviations to an approved budget over the amounts established from time to time by the Member; and

(f) Approval of the strategic/tactical plans and goals and objectives of the Corporation.

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

Implementation Authority means those actions which the Member may take

without the approval or recommendation of the Corporation. This authority

will not be utilized until there has been appropriate communication between

the Member and the Corporation's Board of Directors and its Chief Executive

Officer. Actions requiring implementation authority include:

(a) Changes to the Statements of mission, philosophy, and values of the

Corporation;

(b) Removal of an individual from the Corporation's Board of Directors if

and when the Member determines in good faith that the Director is

failing to meet the Approved Board of Member Expectations. This

authority to remove Directors shall not be used merely because there

is a difference in business judgment between the Director and

the Corporation or the Member, and shall never be used to remove one

or more Directors from the Corporation's Board of Directors in order

to change a decision made by the Corporation's Board of Directors;

(c) Employment and termination of the Chief Executive Officer of the

Corporation;

(d) Appointment of the auditor for the Corporation and the coordination of

the Corporation's annual audit;

(e) Sales, lease, exchange, mortgage, pledge, creation of a security

interest in or other disposition of real or personal property of the

Corporation if such property has a fair market value in excess of a

limit set from time to time by the Member and that is not otherwise



Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

contained in an Approved Budget;

(f) Sale, merger, consolidation, change of membership, sale of all or

substantially all of the assets of the corporation, or closure of

any facility operated by the Corporation;

(g) The dissolution of the Corporation;

(h) Incurrence of debt by or for the Corporation in accordance with

requirements established from time to time by the Member and that

is not otherwise contained in an Approved Budget; and

(i) Authority to establish policies to promote and develop an integrated,

cohesive health care delivery system across all corporations for which

the Member serves as the corporate member.

Form 990, Part VI, Section B, line 11:

The Form 990 (Form) is reviewed by an independent public accounting firm

based on audited financial statements and with the assistance of the

organization's finance and accounting staff. The final draft of the Form is

made available to the Finance Committee of the Board of Directors. The

Board receives the final version of the Form prior to filing.

Form 990, Part VI, Section B, Line 12c:

The organization annually reviews the conflict of interest policy with each

board member and also with new board members. Persons covered under the

policy include officers, directors, senior executives, non-director members of

Board committees and others as identified by a senior executive. At all

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01-04-13

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

levels the board is responsible for assessing, reviewing, and resolving any conflicts of interest that have been disclosed by a covered person, or a conflict of interest disclosed by a covered person with respect to a covered person other than himself/herself. Where a conflict exists, the affected parties must excuse themselves from participating in the situation.

Form 990, Part VI, Section B, Line 15:

Executive compensation is set by St. Luke's boards of directors and is reviewed annually. Compensation levels are based on an independent analysis of comparable pay packages offered at similar institutions across the country, with the goal of placing executives in the 50th percentile of those surveyed. These surveys are usually done every two years, with the most recent compensation survey completed during calendar year 2012.

St. Luke's Health System is committed to providing the highest quality medical care to all people regardless of their ability to pay. To keep that commitment, St. Luke's puts a great deal of time and effort into recruiting and retaining the top physicians in a variety of medical fields. Our relationships with physicians range from having privileges at the hospital to full employment.

For those physicians who choose to be employed, St. Luke's must offer competitive pay and benefits.

Physician compensation is based on a range of criteria and can be influenced by a number of variables including:

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

-Community need for medical specialty

-Experience

-Productivity

-Geography

-National surveys adjusted for local conditions

-Willingness to serve regardless of patients' ability to pay

-Duration of relationship and contractual terms

-Performance on quality metrics

To ensure physician compensation and benefits remain within industry

standards and legal requirements for not-for-profit institutions, St. Luke's

has a Physician Arrangements policy that specifies circumstances requiring

a third-party valuation and also periodically uses third-party consulting

firms to review St. Luke's physician compensation arrangements.

Given the growing national shortage of physicians, recruiting and retaining

physicians is more critical than ever to guarantee that people seeking care

at St. Luke's will continue to have access to the physicians and

specialists they need regardless of their insurance status or insurance

provider.

Form 990, Part VI, Section C, Line 19:

The organization's governing documents, conflict of interest policy, and

financial statements are not available to the public. Form 990, which

contains financial information, is available for public inspection.

Form 990 Part VII Section A

Allocation of Compensation and Hours:

232212  
01-04-13

Schedule O (Form 990 or 990-EZ) (2012)

Name of the organization

St. Luke's Wood River Medical Center, Ltd

Employer identification number

84-1421665

It should be noted that the hours reported for the directors (employed by St. Luke's) officers, key employees, and highest-paid employees are based on a minimum 40 hour work week. However, due to the demands of their roles within the St. Luke's Health System, the hours worked by these individuals often exceed the minimum required 40 hours.

## Form 990 Part III-Statement of Program Accomplishments

## Program Expense:

Please note that the program expense amounts reported in Statement III-Statement of Program Accomplishments, do not include an allocation of certain administrative and functional support costs. These costs are classified as Management and General within Part IX-Statement of Functional Expenses.

**Related Organizations and Unrelated Partnerships**  
 ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
 ▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization	St. Luke's Wood River Medical Center, Ltd	Employer identification number	84-1421665
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**Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
St. Luke's Clinic-Wood River, LLC - 45-2715973, 190 E. Bannock, Boise, ID 83712	Physician Clinic Operations	Idaho	8,159,892.		St. Luke's Wood River Medical Center, Ltd.

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
St. Luke's Health System, Ltd. - 56-2570681 190 E. Bannock Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	11-3	N/A		X
Mountain States Tumor Institute, Inc. - 82-0295026, 100 E. Idaho, Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Regional Medical Center, Ltd		X
St. Luke's Regional Medical Center, Ltd. - 82-0161600, 190 E. Bannock, Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X
St. Luke's Health Foundation, Ltd. - 81-0600973, 190 E. Bannock, Boise, ID 83712	Fundraising	Idaho	501(c)(3)	7	St. Luke's Regional Medical Center, Ltd		X

**For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

See Part VII for Continuations





**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?**a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity**b** Gift, grant, or capital contribution to related organization(s)**c** Gift, grant, or capital contribution from related organization(s)**d** Loans or loan guarantees to or for related organization(s)**e** Loans or loan guarantees by related organization(s)**f** Dividends from related organization(s)**g** Sale of assets to related organization(s)**h** Purchase of assets from related organization(s)**i** Exchange of assets with related organization(s)**j** Lease of facilities, equipment, or other assets to related organization(s)**k** Lease of facilities, equipment, or other assets from related organization(s)**l** Performance of services or membership or fundraising solicitations for related organization(s)**m** Performance of services or membership or fundraising solicitations by related organization(s)**n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)**o** Sharing of paid employees with related organization(s)**p** Reimbursement paid to related organization(s) for expenses**q** Reimbursement paid by related organization(s) for expenses**r** Other transfer of cash or property to related organization(s)**s** Other transfer of cash or property from related organization(s)**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)		67		





**Part VII** Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

## Part II, Identification of Related Tax-Exempt Organizations:

Name of Related Organization:

St. Luke's Jerome, Ltd.

Direct Controlling Entity: St. Luke's Magic Valley Regional Medical  
Center, Ltd.

Name of Related Organization:

St. Luke's Magic Valley Health Foundation, Inc.

Direct Controlling Entity: St. Luke's Magic Valley Regional Medical  
Center, Ltd.

## Schedule R-Part II: Related Tax-Exempt Organizations

St. Luke's Jerome, Ltd.

During FY'13, St. Luke's Jerome, Ltd. (SLJ) operated as an independent

501(c)(3) entity. Effective 9/30/2013, the board of directors of SLJ

approved its formal dissolution. As a result of the dissolution, the

assets and liabilities were transferred to its sole member, St. Luke's

Magic Valley Regional Medical Center, Ltd.

# **ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
St. Luke's Health System, Ltd.  
Boise, Idaho

We have audited the accompanying consolidated financial statements of St. Luke's Health System, Ltd. and its subsidiaries (the "Health System"), which comprise the consolidated balance sheets as of September 30, 2013 and 2012, and the related consolidated statements of operations and changes in net assets, and of cash flows for the years then ended, and the related notes to the consolidated financial statements

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Health System's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of St. Luke's Health System, Ltd. and its subsidiaries as of September 30, 2013 and 2012, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Disclaimer of Opinion on Charity Care Schedule**

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements as a whole. The charity care schedule summarized in Note 1 is presented for the purpose of additional analysis and is not a required part of the basic consolidated financial statements. This additional information is the responsibility of the Health System's management. Such information has not been subjected to the auditing procedures applied in our audits of the basic consolidated financial statements and, accordingly it is inappropriate to and we do not express an opinion on the additional information referred to above.

*Deloitte & Touche LLP*

January 27, 2014

## ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

### CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2013 AND 2012 (In thousands)

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	2013	2012
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 153,303	\$ 116,467
Receivables — net	254,138	230,666
Inventories	28,709	26,629
Prepaid expenses	12,703	11,270
Current portion of assets whose use is limited	<u>37,510</u>	<u>36,599</u>
Total current assets	<u>486,363</u>	<u>421,631</u>
<b>ASSETS WHOSE USE IS LIMITED:</b>		
Board designated funds	263,145	269,540
Restricted funds	61,223	97,248
Permanent endowment funds	10,151	8,666
Donor restricted plant replacement and expansion funds and other specific purpose funds	<u>22,159</u>	<u>18,476</u>
Total assets whose use is limited	<u>356,678</u>	<u>393,930</u>
PROPERTY, PLANT, AND EQUIPMENT — Net	<u>901,363</u>	<u>851,167</u>
GOODWILL	<u>37,693</u>	<u>31,864</u>
<b>OTHER ASSETS:</b>		
Land and buildings held for investment or future expansion — at cost	45,642	28,541
Equity interest in joint ventures	5,494	5,230
Deferred financing costs — net	7,967	8,150
Other	<u>28,293</u>	<u>27,823</u>
Total other assets	<u>87,396</u>	<u>69,744</u>
<b>TOTAL</b>	<u>\$ 1,869,493</u>	<u>\$ 1,768,336</u>

See notes to consolidated financial statements.

	2013	2012
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued liabilities	\$ 93,667	\$ 83,112
Accrued salaries and related liabilities	56,326	49,061
Employee benefit liabilities	43,123	50,409
Estimated payable to Medicare and Medicaid programs	100,670	61,474
Current portion of long-term debt and capital leases	<u>18,260</u>	<u>14,842</u>
Total current liabilities	<u>312,046</u>	<u>258,898</u>
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt and capital leases	641,677	622,218
Liability for pension benefits	54,210	99,273
Other liabilities	<u>3,555</u>	<u>4,937</u>
Total noncurrent liabilities	<u>699,442</u>	<u>726,428</u>
<b>NET ASSETS:</b>		
Unrestricted:		
The Health System	822,320	751,623
Noncontrolling interests	<u>3,347</u>	<u>4,749</u>
Total unrestricted net assets	825,667	756,372
Temporarily restricted	22,187	17,972
Permanently restricted	<u>10,151</u>	<u>8,666</u>
Total net assets	858,005	783,010
<b>TOTAL</b>	<u>\$ 1,869,493</u>	<u>\$ 1,768,336</u>

# ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012 (In thousands)

	2013	2012
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT:		
Patient service revenue (net of contractual allowances and discounts)	\$ 1,516,406	\$ 1,396,644
Less provision for bad debts	<u>(83,472)</u>	<u>(67,298)</u>
Net patient service revenue (net of bad debts)	1,432,934	1,329,346
Other revenue (including rental income)	38,209	33,976
Excess of assets obtained over liabilities assumed in acquisitions	20,646	7,253
Net assets released from restrictions — operating	914	84
Loss on equity interest in joint ventures	<u>308</u>	<u>(651)</u>
Total unrestricted revenues, gains, and other support	<u>1,493,011</u>	<u>1,370,008</u>
EXPENSES:		
Salaries and benefits	802,054	714,343
Supplies and drugs	240,487	216,565
Depreciation and amortization	101,955	89,516
Contract services	74,810	73,125
Purchased services	116,943	86,793
Interest expense	24,954	20,801
Other expenses	<u>116,618</u>	<u>101,742</u>
Total expenses	<u>1,477,821</u>	<u>1,302,885</u>
INCOME FROM OPERATIONS	15,190	67,123
INVESTMENT INCOME	<u>4,204</u>	<u>5,575</u>
REVENUE IN EXCESS OF EXPENSES	19,394	72,698
ADJUSTMENT FOR INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>168</u>	<u>(421)</u>
REVENUE IN EXCESS OF EXPENSES ATTRIBUTABLE TO THE HEALTH SYSTEM	<u>\$ 19,562</u>	<u>\$ 72,277</u>

See notes to consolidated financial statements.



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	2013	2012
UNRESTRICTED NET ASSETS:		
Revenue in excess of expenses	\$ 19,394	\$ 72,698
Change in noncontrolling interests	(1,234)	(1,666)
Change in net unrealized gains on investments	(2,029)	(127)
Net assets released from restrictions — capital acquisitions	3,624	2,997
Change in funded status of pension plan	<u>49,540</u>	<u>(12,845)</u>
Increase in unrestricted net assets	<u>69,295</u>	<u>61,057</u>
TEMPORARILY RESTRICTED NET ASSETS:		
Contributions	5,537	8,525
Investment income	572	412
Change in net unrealized gains on investments	816	640
Net assets released from restrictions	<u>(2,710)</u>	<u>(2,913)</u>
Increase in temporarily restricted net assets	<u>4,215</u>	<u>6,664</u>
PERMANENTLY RESTRICTED NET ASSETS --- Contributions for endowment funds	<u>1,485</u>	<u>3,275</u>
INCREASE IN NET ASSETS	74,995	70,996
NET ASSETS — Beginning of year	783,010	712,014
NET ASSETS — End of year	<u>\$ 858,005</u>	<u>\$ 783,010</u>

# ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS AS OF SEPTEMBER 30, 2013 AND 2012 (In thousands)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 74,995	\$ 70,996
Adjustments to reconcile increase in net assets to net cash provided by operating activities.		
Depreciation and amortization	101,955	89,516
Net realized loss on investments	2,689	1,020
Excess of assets obtained over liabilities assumed in acquisitions	(20,646)	(7,253)
Unrealized gain (loss) on investments	1,213	(513)
Distributions received from joint ventures	40	191
Amortization of deferred financing fees	591	563
Restricted contributions received	(7,022)	(11,801)
Loss on disposition of equipment and other assets	31	2,643
(Gain) loss on equity interest in joint ventures	(308)	651
Change in funded status of pension plans	(49,540)	12,845
Changes in assets and liabilities — net of acquisitions of medical practices:		
Net change in receivables	(20,010)	(37,522)
Net change in inventories	(1,465)	(1,668)
Net change in prepaid expenses and other current assets	(1,114)	(2,578)
Net change in other assets	(5,407)	(6,258)
Net change in accounts payable and accrued liabilities	4,785	(2,661)
Net change in accrued salaries and related liabilities	6,831	5,088
Net change in employee benefit liabilities	(7,359)	11,039
Net change in payable to Medicare and Medicaid programs	39,196	(8,743)
Net change in other liabilities	4,039	(230)
Net cash provided by operating activities	<u>123,494</u>	<u>115,325</u>

See notes to consolidated financial statements

	2013	2012
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of property, plant, and equipment and land and buildings held for investment or future expansion	\$ (141,463)	\$ (137,587)
Proceeds from disposition of equipment and other assets	320	254
Purchase of investments (includes purchases with restricted funds)	(666,996)	(419,692)
Change in restricted funds	5,836	(75,497)
Proceeds from sales of investments	703,323	416,120
Payments on acquisition of medical practices	(17,612)	(5,518)
Cash received from acquisition transactions	1,343	390
Contributions to unconsolidated joint ventures	<u>          </u>	<u>(233)</u>
Net cash used in investing activities	<u>(115,249)</u>	<u>(221,763)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of long-term debt	(10,968)	(8,035)
Advances on lines of credit	40,239	39,036
Repayments on lines of credit	(38,169)	(38,782)
Proceeds from contributions for temporarily restricted net assets	5,537	6,084
Proceeds from contributions for endowment funds	1,485	101
Proceeds from bonds	30,212	119,788
Proceeds from bond premium		896
Cost of issuance fees from bonds	(408)	(968)
Proceeds from notes payable	2,414	1,191
Payments on notes payable	<u>(1,751)</u>	<u>(1,545)</u>
Net cash provided by financing activities	<u>28,591</u>	<u>117,766</u>
NET INCREASE IN CASH	36,836	11,328
CASH — Beginning of year	<u>116,467</u>	<u>105,139</u>
CASH --- End of year	<u>\$ 153,303</u>	<u>\$ 116,467</u>

## ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012 (In thousands)

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization** — St. Luke's Health System, Ltd. and subsidiaries (the "Health System") is an Idaho-based not-for-profit organization providing a comprehensive health care delivery system to the communities served. The Health System's general offices are located in Boise, Idaho. The Health System is governed by volunteer boards made up of local citizens.

The Health System's primary hospitals and service areas are located within the State of Idaho in Boise, Meridian, Twin Falls, Elmore, McCall, Nampa, Jerome, and Ketchum and have other facilities and operations throughout Southern Idaho and Eastern Oregon.

**Basis of Presentation** — The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Intercompany transactions have been eliminated.

**Use of Estimates** — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates include the useful lives of depreciable assets, liabilities associated with employee benefit programs, self-insured professional liability risks not covered by insurance and potential settlements with the Medicare and Medicaid programs. In addition, valuation reserve estimates are made regarding the collectability of outstanding patient and other receivables.

The Health System utilizes independent third parties to assist in determining reserve estimates associated with self-insured employee benefit programs and professional liability risks, including incurred but not reported claims. Changes in estimates are included in results of operations in the period when such amounts are determined and actual amounts could differ from such estimates.

**Statements of Operations** — Transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported as unrestricted revenues, gains and other support and expenses.

**Changes in Net Assets** — Changes in net assets include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets), changes in pension liabilities, change in noncontrolling interests, and the net change in unrealized gains and losses on investments.

**Temporarily and Permanently Restricted Net Assets** — Temporarily restricted net assets are those whose use by the Health System is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Health System pursuant to those stipulations. Permanently restricted net assets are assets whose use by the Health System is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed.

**Donor Restricted Gifts** — Unconditional promises to give cash (pledges receivable) and other assets are recorded at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Total pledges receivable, net of allowances, as of September 30 are as follows:

	2013	2012
Less than one year	\$ 227	\$ 573
One to five years	2,648	3,668
More than five years	<u>43</u>	<u>234</u>
	2,918	4,475
Less allowance for estimated uncollectible accounts	<u>226</u>	<u>220</u>
Total pledges receivable	<u>\$ 2,692</u>	<u>\$ 4,255</u>

**Cash and Cash Equivalents** — Cash represents cash on hand and cash in banks, excluding amounts whose use is limited and consists primarily of cash and highly liquid investments with original maturities of three months or less. As of September 30, 2013 and 2012, the Health System had book overdrafts of \$9,901 and \$14,254, respectively, at one institution that is included in accounts payable and accrued liabilities.

**Inventories** — Inventories consist primarily of medical and surgical supplies and are stated at the lower of cost (on a moving-average basis) or market.

**Investments and Investment Income** — The Health System's long-term and short term investment portfolios are managed according to investment policies adopted by the Health System and based on overall investment objectives. Board designated funds are investments established by the Board for strategic future capital or operating expenditures intended to expand or preserve services provided to the communities it serves. All investments are recorded using settlement date accounting. Investment income and gains (losses) on investments whose use has not been restricted by the donor, including unrestricted income from endowment funds, are reported as part of investment income. Investment income and gains (losses) on investments whose income has been restricted by the donor are recorded as increases (decreases) to temporarily or permanently restricted net assets.

The Health System's investments primarily include mutual funds and debt securities that are carried at fair value. The Health System evaluates whether securities are other-than-temporarily impaired (OTTI) based on criteria that include the extent to which cost exceeds market value, the duration of the market decline, the credit rating of the issuer or security, the failure of the issuer to make scheduled principal or interest payments and the financial health and prospects of the issuer or security. Any declines in the value of investment securities determined to be OTTI are recognized in earnings and reported as other-than-temporary impairment losses. The Health System determined that no securities were other than temporarily impaired as of September 30, 2013 and 2012.

**Assets Whose Use is Limited** — Assets whose use is limited include assets set aside by the Board of Directors for future capital purposes over which the Board retains control and may, at its discretion, subsequently be used for debt retirement or other purposes. It also includes assets held by trustee under indenture agreements, assets restricted by donors for specific purposes and permanent endowment funds.

**Property, Plant, and Equipment** — Property, plant, and equipment are recorded at cost except donated assets, which are recorded at fair value at the date of donation. Property and equipment donated for Health System operations are recorded as additions to property, plant, and equipment when the assets are placed in service. Depreciation is computed using the straight-line method over the estimated useful lives of the depreciable assets with depreciation taken in both the year placed in service and the year of disposition.

The estimated useful lives of each asset ranges are as follows:

Buildings	15-40 years
Fixed and major movable equipment	2-20 years
Leasehold improvements	5-15 years

Expenditures for maintenance and repairs are charged to expense as incurred and expenditures for renewals and betterments are capitalized. Upon sale or retirement of depreciable assets, the related cost and accumulated depreciation are removed from the records and any gain or loss is reflected in the statement of operations. Periodically, the Health System evaluates the carrying value of property, plant, and equipment for impairment based on undiscounted operating cash flows whenever significant events or changes occur which might impact recovery of recorded assets.

**Goodwill** --- Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is not amortized, but is subject to annual impairment testing at the reporting unit level. A reporting unit is defined as a component of an organization that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed for decision making purposes and for which discrete financial information is available.

The quantitative impairment testing for goodwill includes a two-step process consisting of identifying a potential impairment loss by comparing the fair value of the reporting unit to its carrying amount, including goodwill and then measuring the impairment loss by comparing the implied fair value of the goodwill for a reporting unit to its carrying value. The fair value is estimated based upon internal evaluations of the related long-lived assets for each reporting unit and can include comparable market prices, quantitative analyses of revenues and estimated future net cash flows. If the fair value of the reporting unit assets is less than their carrying value including goodwill, an impairment loss is recognized.

In addition to annual impairment review, impairment reviews are performed whenever circumstances indicate a possible impairment may exist.

**Meaningful Use** — The Health System accounts for Electronic Health Records (EHR) incentive payments in accordance with ASC 450-30, *Gain Contingencies* ("ASC 450-30"). In accordance with ASC 450-30, the Health System recognizes a gain for EHR incentive payments when its eligible hospitals and physician practices have demonstrated meaningful use of certified EHR technology for the applicable period and when the final calculation of the EHR incentive payment is available. The demonstration of meaningful use is based on meeting a series of objectives and varies among hospitals and physician practices, between the Medicare and Medicaid programs and within the Medicaid program from state to state. Additionally, meeting the series of objectives in order to demonstrate meaningful use becomes progressively more stringent as its implementation is phased in through stages as outlined by the Centers for Medicare and Medicaid Services.

For the years ended September 30, 2013 and 2012 respectively, the Health System recognized \$8,362 and \$3,785 in EHR incentive payments were recognized in accordance with the HITECH Act under the Medicaid program. These payments are included in other revenue.

The Health System incurs both capital expenditures and operating expenses in connection with the implementation of its various EHR initiatives. The amount and timing of these expenditures does not directly correlate with the timing of the Health System's receipt or recognition of the EHR incentive payments.

**Land and Buildings Held for Future Investment or Future Expansion** — Land and buildings held for investment or future expansion represents land and buildings purchased or donated to the Health System for future operations and are not included in the Health System operations

**Costs of Borrowing** — Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Financing costs are deferred and amortized over the life of the bonds.

**Investment in Affiliates** — The Health System has entered into certain joint ventures and affiliations with other health care providers. The Health System accounts for the joint ventures and affiliations based on the equity method of accounting when it has significant influence. The Health System's share of income or loss is reported as increases or decreases in the respective investment with a corresponding amount reported in income or loss on equity interest in joint ventures.

As of September 30, 2013, significant joint ventures and affiliations include the following:

- St. Luke's Idaho Elks Rehabilitation Services, an equally owned joint venture with Idaho Elks Rehabilitation Hospital, Inc. to provide outpatient rehabilitation services
- Idaho Cytogenetics Diagnostic Laboratory, LLC, an equally owned joint venture with Saint Alphonsus Diversified Care, Inc. to promote general health and cytogenetic diagnostic services
- Idaho Community Health Network, an equally owned joint venture with Kootenai Medical Center, Magic Valley, and Portneuf to provide an organized system for the coordination, delivery and provisions for certain health care services
- Idaho GYN/Oncology Services, LLC, an equally owned joint venture with Saint Alphonsus Regional Medical Center, Inc., to provide gynecological oncology healthcare services. This joint venture was dissolved as of September 30, 2013.

**Net Patient Service Revenue** — Net patient service revenue before provision for bad debts is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

**Charity Care** — The Health System provides services to all patients regardless of their ability to pay in accordance with its charity care policy. The estimated cost of providing these services was \$23,997 and \$22,377 in 2013 and 2012, respectively, calculated by multiplying the ratio of cost to gross charges for the Health System by the gross compensated charges associated with providing care to charity patients.

In addition to charity care services, the Health System provides services to patients who are deemed indigent under state Medicaid and county indigency program guidelines. In most cases, the cost of services provided to these patients exceeds the amounts received as compensation from the respective programs. In addition, in response to broader community needs, the Health System also provides many programs such as health screening, patient and health education programs, clinical and biomedical services to outlying hospitals, and serves as a clinical teaching site for higher education programs of health professionals. The following unaudited schedule summarizes the charges forgone in accordance with the Health System's charity care policy, the unpaid costs associated with services provided under Medicare, Medicaid, and county indigency programs, and the benefit of services provided to support broader community needs:

	<b>Unaudited</b>	
	<b>2013</b>	<b>2012</b>
Estimated unpaid costs of services provided under Medicare, Medicaid, and county indigency programs	\$ 190,778	\$ 148,608
Estimated benefit of services to support broader community needs	29,431	22,912

**Income Taxes** — The Health System is a not-for-profit corporation and is recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code.

**Unrelated Business Income** — The Health System is subject to federal excise tax on its unrelated business taxable income (UBTI). As of September 30, 2013, the Company had approximately \$3,947 of UBTI Net Operating Losses from operating losses incurred from 1999 to 2013 which expire in years 2014 to 2028. The Health System does not believe that it is more likely than not they will utilize these losses prior to their expiration and as such has provided a full valuation allowance against these losses.

**Recently Issued and New Accounting Pronouncements** — In December 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update ("ASU") No. 2011-11, "Balance Sheet (Topic 210) — Disclosures about Offsetting Assets and Liabilities." ASU No. 2011-11, as amended by ASU 2013-01, "Balance Sheet (Topic 210) Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities," requires disclosure of the effect or potential effect of offsetting arrangements on the Health System's financial position as well as enhanced disclosure of the rights of setoff associated with derivative instruments, resale and repurchase agreements, and securities borrowing and lending transactions. The disclosure requirements, which are to be applied retrospectively, are effective for fiscal years beginning on or after January 1, 2013. The adoption of ASU 2011-11 and ASU 2013-01 is not expected to have a material impact on the Health System's financial position, results of operations or cash flows.



In July 2011, the FASB issued ASU No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* ("ASU 2011-07") which amended ASC No. 954, *Health Care Entities* ("ASC 954") to provide greater transparency regarding a health care entity's net patient revenue and the related allowances for doubtful accounts. ASU 2011-07 requires certain health care entities to change the presentation of the provision for bad debts associated with patient service revenue by reclassifying the provision from operating expenses to a deduction from net patient revenue and requires enhanced disclosures about net patient revenue and the policies for recognizing revenue and assessing bad debts. The provisions of ASU 2011-07 which are to be applied retroactively were adopted by the Health System on October 1, 2012. As such, the provision for bad debts associated with patient care has been reclassified for all periods presented in accordance with the provisions of this pronouncement. See Note 4.

In May 2011, the FASB issued ASU No. 2011-04, *Fair Value Measurement (Topic 820), Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* ("ASU 2011-04"), which amended ASC No. 820, *Fair Value Measurement* ("ASC 820") to change the wording used to describe many of the requirements in U.S. GAAP for measuring the fair value and for disclosing information about fair value measurements. The Health System adopted the provisions of ASU 2011-04 for the current fiscal year ended September 30, 2013, and it did not have a material impact on the Health System's financial position, results of operations or cash flows.

**Subsequent Events** — The Health System has evaluated subsequent events through January 27, 2014. This is the date the financial statements were available to be issued.

## 2. BUSINESS TRANSACTIONS

**Medical Practices** — In 2013 and 2012, the Health System acquired various family health and specialty medical practices located throughout its service area. As a result of the transactions, the Health System acquired receivables, inventory, fixed assets, non-compete agreements, goodwill, or other assets. Non-compete agreements are amortized on a straight-line basis over their expected lives of five to seven years.

In accordance with the purchase method of accounting, the acquired net assets were recorded at fair value as of the dates of the acquisition. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed from the acquisitions during the years ended September 30:

	2013	2012
Accounts receivable	\$ 142	\$ -
Inventory	305	69
Property	3,846	555
Goodwill and other intangible assets	13,151	4,990
Other assets	168	
Accrued liabilities		(96)
	<u>\$ 17,612</u>	<u>\$ 5,518</u>
Purchase price		

**Transaction with Elmore** — On April 1, 2013, The Health System completed a transaction with Elmore Medical Center. The transaction expanded the Health System's presence into Mountain Home, Idaho. As a result of the transaction, the name of the hospital was changed to St. Luke's Elmore. Prior to the transaction, Elmore Medical Center was wholly owned by the Elmore Medical Center Hospital District.

The determination of the estimated fair market value of the assets obtained and liabilities assumed required management to make certain estimates and assumptions. The transaction with Elmore Medical Center resulted in the assets obtained and liabilities assumed being recorded based on their estimated fair values on the transaction date. In 2013, an excess of assets obtained over liabilities assumed in the amount of \$20,646 was recorded in the consolidated statement of operations and changes in net assets representing the excess of the fair value of tangible and identifiable intangible assets obtained over liabilities assumed or other financial consideration given.

The results of operations are included in the Health System's consolidated financial statements beginning April 1, 2013. The following table presents the allocation of consideration given for the assets obtained and liabilities assumed:

Cash	\$ 1,343
Investments	6,162
Accounts receivable	3,316
Inventory	310
Prepays	151
Property	<u>10,865</u>
Total assets obtained	<u>22,147</u>
Accounts payable and other accrued liabilities	<u>(1,501)</u>
Total liabilities assumed	<u>(1,501)</u>
Excess of assets obtained over liabilities assumed in transaction	<u>\$ 20,646</u>

**Transaction with Jerome** — On October 1, 2011, The Health System completed a transaction with St. Benedict's Family Medical Center, Inc ("St. Benedicts"). The transaction expanded the Health System's presence into Jerome, Idaho. As a result of the transaction, the name of the hospital was changed to St. Luke's Jerome, Ltd. Prior to the transaction, St. Benedicts was wholly owned by Critical Access Group, Inc., headquartered in Duluth, Minnesota.

The determination of the estimated fair market value of the assets obtained and liabilities assumed required management to make certain estimates and assumptions. The transaction with St. Benedicts resulted in the assets obtained and liabilities assumed being recorded based on their estimated fair values on the transaction date. In 2012, an excess of assets obtained over liabilities assumed in the amount of \$6,950 was recorded in the consolidated statement of operations and changes in net assets representing the excess of the fair value of tangible and identifiable intangible assets obtained over liabilities assumed or other financial consideration given.

The results of operations are included in the Health System's consolidated financial statements beginning October 1, 2011. The following table presents the allocation of consideration given for the assets obtained and the liabilities assumed:

Cash	\$ 95
Accounts receivable	2,491
Inventory	294
Prepays	91
Other assets	122
Property	<u>5,494</u>
Total assets obtained	<u>8,587</u>
Accounts payable and other accrued liabilities	<u>(1,637)</u>
Total liabilities assumed	<u>(1,637)</u>
Excess of assets obtained over liabilities assumed in transaction	<u>\$ 6,950</u>

**Transaction with Magic Valley Health Foundation** — In May 2012, the Health System acquired the financial position, results of operations and cash flows of St. Luke's Magic Valley Health Foundation, Ltd (the "Foundation"). The Foundation modified their bylaws to effectively allow the Foundation to become a consolidated subsidiary of the Health System.

The determination of the estimated fair market value of the assets obtained and liabilities assumed required management to make certain estimates and assumptions. The transaction with the Foundation resulted in the assets obtained and liabilities assumed being recorded based on their estimated fair values on the transaction date. In 2012, an excess of assets obtained over liabilities assumed in the amount of \$303 was recorded in the consolidated statement of operations and changes in net assets representing the excess of the fair value of tangible and identifiable intangible assets obtained over liabilities assumed.

The results of operations are included in the Health System's consolidated financial statements as of May 2012. The following table presents the allocation of consideration given for the assets obtained and the liabilities assumed:

Cash	\$ 295
Cash — donor restricted	4,890
Pledges receivable	1,227
Accounts receivable	18
Prepays	14
Property	<u>320</u>
Total assets obtained	<u>6,764</u>
Accounts payable and accrued liabilities	<u>(846)</u>
Total liabilities assumed	(846)
Temporarily restricted net assets	(2,440)
Permanently restricted net assets	<u>(3,175)</u>
Total liabilities and net assets assumed	<u>(6,461)</u>
Excess of assets obtained over liabilities assumed in transaction	<u>\$ 303</u>

### 3. JOINT VENTURES

Combined financial information of the Health System's joint ventures as of and for the year ended September 30 are as follows:

	2013	2012
Total assets	\$ 9,852	\$ 11,302
Total liabilities	3,644	2,459
Total equity	6,208	8,843
Total revenues	15,522	17,510
Total income (loss)	(1)	888

### 4. NET PATIENT SERVICE REVENUE

The Health System has agreements with third-party payors that provide for payments to the Health System at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

*Medicare* — Inpatient acute and certain outpatient care services rendered to Medicare program beneficiaries are paid at prospectively determined rates based upon the service provided. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient nonacute services, certain other outpatient services, and defined capital and medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology.

The Health System is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Health System and audits thereof by the Medicare fiscal intermediary. The Health System's classification of patients under the Medicare program and the appropriateness of their admission are subject to a review by a peer review organization under contract with the fiscal intermediary.

*Medicaid* — Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Health System is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Health System and audits thereof by the Medicaid fiscal intermediary.

Changes in estimates are included in results of operations in the period when such amounts are determined. The Health System has an opportunity to amend previously settled cost reports. With regard to the amended cost reports, the Health System accrues settlements when amounts are probable and estimable.

Changes in prior year estimates decreased net patient service revenue by \$1,973 for fiscal year ended September 30, 2013 and increased net patient service revenue by \$9,161 for fiscal year ended September 30, 2012.

*Other* — The Health System has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Health System under these agreements includes prospectively determined rates per patient day, per discharge and discounts from established charges.

The System records a provision for bad debts related to uninsured accounts to record the net self pay accounts receivable at the estimated amounts the System expects to collect.

Patient service revenue (including patient co-pays and deductibles), net of contractual allowances and discounts (but before provision for uncollectible accounts) by primary payor source, for the year ended September 30 are as follows:

	2013	2012
Commercial payors, patients, and other	\$ 880,004	\$ 696,135
Medicare program	478,832	506,246
Medicaid program	<u>157,570</u>	<u>194,263</u>
	1,516,406	1,396,644
Less total allowance	<u>83,472</u>	<u>67,298</u>
	<u>\$ 1,432,934</u>	<u>\$ 1,329,346</u>

## 5. ACCOUNTS RECEIVABLE AND CONCENTRATION OF CREDIT RISK

The Health System grants credit without collateral to its patients, most of whom are local residents and many of whom are insured under third-party payor agreements. Accounts receivable, reflected net of any contractual arrangements, as of September 30 are as follows:

	2013	2012
Commercial payors, patients, and other	\$ 197,670	\$ 191,083
Medicare program	45,881	41,667
Medicaid program	17,304	22,211
Non-patient	<u>39,442</u>	<u>17,138</u>
	300,297	272,099
Less total allowance	<u>46,159</u>	<u>41,433</u>
	<u>\$ 254,138</u>	<u>\$ 230,666</u>

The allowance for estimated uncollectible accounts is determined by analyzing both historical information (write-offs by payor classification), as well as current economic conditions

## 6. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment as of September 30 are as follows:

	2013	2012
Land	\$ 47,720	\$ 43,878
Buildings, land improvements, and fixed equipment	818,396	759,724
Major movable equipment	<u>710,412</u>	<u>632,795</u>
	<u>1,576,528</u>	<u>1,436,397</u>
Less accumulated depreciation:		
Buildings, land improvements, and fixed equipment	278,835	249,479
Major movable equipment	<u>442,180</u>	<u>375,521</u>
	<u>721,015</u>	<u>625,000</u>
	855,513	811,397
Construction in process	<u>45,850</u>	<u>39,770</u>
	<u>\$ 901,363</u>	<u>\$ 851,167</u>

As of September 30, 2013 and 2012, the Health System had \$10,013 and \$5,281, respectively, of property, plant, and equipment purchases included in accounts payable and accrued liabilities.

Depreciation expense was \$93,423 and \$81,921 for the years ended September 30, 2013 and 2012, respectively.

## 7. ASSETS WHOSE USE IS LIMITED

Assets whose use is limited that will be used for obligations classified as current liabilities and the current portion of pledges receivable are reported in current assets. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value, based on quoted market prices of identical or similar assets. The majority of the Health System's investments are managed by independent investment managers. The following table sets forth the composition of assets whose use is limited as of September 30:

	2013	2012
Board designated funds:		
Cash and cash equivalents	\$ 17,872	\$ 28,350
Certificates of deposit and commercial paper	350	
Mutual funds	34,913	29,473
Corporate bonds and notes	91,357	51,447
Government and agency securities	184,582	218,486
Interest receivable	1,199	1,270
Due to donor restricted and permanent endowment funds	<u>(29,618)</u>	<u>(22,887)</u>
	300,655	306,139
Less amounts classified as current assets	<u>(37,510)</u>	<u>(36,599)</u>
	<u>\$ 263,145</u>	<u>\$ 269,540</u>
Restricted funds:		
Cash and cash equivalents	\$ 24,456	\$ 62,001
Certificates of deposit and commercial paper	6,024	
Government and agency securities	<u>30,743</u>	<u>35,247</u>
	<u>\$ 61,223</u>	<u>\$ 97,248</u>
Permanent endowment funds -- due from board designated funds	<u>\$ 10,151</u>	<u>\$ 8,666</u>
Donor restricted plant replacement and expansion funds and other specific purpose funds:		
Due from board designated funds	\$ 19,467	\$ 14,221
Pledges receivable	<u>2,692</u>	<u>4,255</u>
	<u>\$ 22,159</u>	<u>\$ 18,476</u>

Investment income for assets limited as to use, cash equivalents, and other investments for the years ended September 30 are comprised of the following:

	2013	2012
Investment income:		
Interest income	\$ 6,893	\$ 6,595
Realized loss on sales of securities	<u>(2,689)</u>	<u>(1,020)</u>
	<u>\$ 4,204</u>	<u>\$ 5,575</u>
Change in net unrealized gain on investments	<u>\$ (2,029)</u>	<u>\$ (127)</u>

In connection with the issuance of the certain bond obligations, the Health System is required to maintain a debt reserve fund. The debt reserve fund is to be used for the payment of principal and interest at maturity. The amount held in the debt reserve fund as of September 30, 2013, related to the Series 2008A Bonds, is \$16,368 (which includes \$3,088 to be paid over the next 12 months). This amount is included in restricted funds. Amounts held in custody, to be paid over the next 12 months, for the Series 2000 and 2005 Bonds are \$1,721 and \$1,956 respectively. These amounts are also included in restricted funds.

Proceeds received from the Series 2012A Bonds are restricted to qualified expenditures related to a facility project of the Health System and are held by the Series 2012A Bond Trustee in a Construction Fund. Initial deposits into the Construction Fund were \$75,521. As of September 30, 2013, the balance remaining in the fund was \$35,849.

#### 8. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Restricted net assets as of September 30 consist of donor restricted contributions and grants, which are to be used as follows:

	2013	2012
Equipment and expansion	\$ 13,050	\$ 11,617
Research and education	2,174	1,648
Charity and other	<u>6,963</u>	<u>4,707</u>
Total temporarily restricted net assets	22,187	17,972
Permanently restricted net assets	<u>10,151</u>	<u>8,666</u>
Total restricted net assets	<u>\$ 32,338</u>	<u>\$ 26,638</u>



The composition of endowment net assets by type of fund as of September 30 is as follows:

	September 30, 2013		
	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment net assets	\$ -	\$ 10,151	\$ 10,151
Board-designated endowment net assets	<u>1,618</u>	<u>          </u>	<u>1,618</u>
Total endowment net assets	<u>\$ 1,618</u>	<u>\$ 10,151</u>	<u>\$ 11,769</u>

  

	September 30, 2012		
	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment net assets	\$ -	\$ 8,666	\$ 8,666
Board-designated endowment net assets	<u>1,079</u>	<u>          </u>	<u>1,079</u>
Total endowment net assets	<u>\$ 1,079</u>	<u>\$ 8,666</u>	<u>\$ 9,745</u>

Changes in endowment net assets during 2013 and 2012 are as follows:

	September 30, 2013		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets — beginning of period	\$ 1,079	\$ 8,666	\$ 9,745
Investment returns	192		192
Unrealized gains	627		627
Contributions	28	1,216	1,244
Appropriation of endowment net assets for expenditure	(4)	(21)	(25)
Transfers to remove or add to board-designated endowment funds	<u>(304)</u>	<u>290</u>	<u>(14)</u>
Endowment net assets — end of period	<u>\$ 1,618</u>	<u>\$ 10,151</u>	<u>\$ 11,769</u>

  

	September 30, 2012		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets — beginning of period	\$ 437	\$ 5,390	\$ 5,827
Investment returns	176		176
Unrealized gains	226		226
Contributions	36	91	127
Magic Valley Health Foundation transaction	349	3,175	3,524
Appropriation of endowment net assets for expenditure	(145)		(145)
Transfers to remove or add to board-designated endowment funds	<u>          </u>	<u>10</u>	<u>10</u>
Endowment net assets — end of period	<u>\$ 1,079</u>	<u>\$ 8,666</u>	<u>\$ 9,745</u>

## 9. DEBT

Long-term debt as of September 30 consists of the following:

	2013	2012
Obligations to Idaho Health Facilities Authority — Series 2012A Fixed Rate Bonds	\$ 75,000	\$ 75,000
Obligations to Idaho Health Facilities Authority — Series 2012A Fixed Rate Bond Premium	839	885
Obligations to Idaho Health Facilities Authority — Series 2012B Variable Rate Direct Purchase	73,300	44,788
Obligations to Idaho Health Facilities Authority — Series 2012CD Variable Rate Revenue Bonds	150,000	150,000
Obligations to Idaho Health Facilities Authority — Series 2008A Fixed Rate Bonds	125,160	126,460
Obligations to Idaho Health Facilities Authority — Series 2008A Fixed Rate Bond Discount	(3,206)	(3,293)
Obligations to Idaho Health Facilities Authority — Series 2005 Fixed Rate Bonds	108,990	111,770
Obligations to Idaho Health Facilities Authority — Series 2000 Fixed Rate Bonds	79,000	82,100
Obligations to Idaho Health Facilities Authority — Series 2000 and Series 2005 Fixed Rate Bond Premium	4,719	4,936
Capital leases	2,518	2,041
Notes payable	38,728	39,552
Line of credit	<u>4,889</u>	<u>2,821</u>
Total debt	659,937	637,060
Less current portion	<u>18,260</u>	<u>14,842</u>
Total long-term debt	<u>\$641,677</u>	<u>\$622,218</u>

As of September 30, 2013, the maturity schedule of long-term debt is as follows:

Years Ending September 30	Long-Term Debt	Capital Lease	Total
2014	\$ 17,485	\$ 888	\$ 18,373
2015	11,436	450	11,886
2016	11,860	287	12,147
2017	12,310	184	12,494
2018	10,418	189	10,607
Thereafter	<u>593,910</u>	<u>869</u>	<u>594,779</u>
	<u>\$657,419</u>	2,867	660,286
Less amount representing interest		<u>(349)</u>	<u>(349)</u>
		<u>\$2,518</u>	<u>\$659,937</u>

### **Obligations to Idaho Health Facility Authority**

*Series 2000* — Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from \$2,800 to \$29,700, beginning July 2011 through July 2030. The Series 2000 bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised on 12 30-day months and are payable on July 1 and January 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2013 was 4.80%.

The Series 2000 bonds maturing on or after July 1, 2021, are subject to redemption prior to maturity at the option of the Health System.

The Series 2000 Bonds are secured with a mortgage on the Health System's hospital located in Boise, Idaho.

*Series 2005* — Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from \$2,690 to \$51,710, beginning July 2011 through July 2035. The Series 2005 bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised on 12 30-day months and are payable on July 1 and January 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2013 was 4.62%.

The Series 2005 bonds maturing on or after July 1, 2021, are subject to redemption prior to maturity at the option of the Health System. In addition, Series 2005 bonds maturing on or after July 1, 2025, are subject to redemption prior to maturity at the option of the Health System on or after July 1, 2015.

The Series 2005 Bonds are secured with a mortgage on the Health System's hospital located in Boise, Idaho.

*Series 2008A* — Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from \$1,130 to \$21,655 beginning November 2009 through 2037. The Series 2008A bonds bear interest at a fixed rate ranging from 4.00% to 6.75% per annum calculated on the basis of a 360 day year comprised of 12 30-day months and are payable on May 1 and November 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2013 was 6.84%.

The Series 2008A bonds maturing on or after November 1, 2019, are subject to redemption prior to maturity at the option of the Health System, on or after November 1, 2018.

*Series 2012A* — Represents Fixed Rate Revenue Bonds payable in annual payments ranging from \$23,780 to \$26,220, beginning March 2045 through March 2047. The Series 2012A Bonds bear interest at a fixed rate ranging from 4.50% to 5.00% per annum calculated based on a 360 day calendar year comprised of 12 30-day months and are payable on March 1 and September 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2013 was 4.84%.

The Series 2012A bonds are subject to redemption prior to maturity at the option of the Health System, on or after March 1, 2022.

*Series 2012B* — Represents Variable Rate Direct Purchases with Union Bank, N.A. in a privately placed transaction. The principal of the Series 2012B Bonds is payable in annual installments ranging from \$2,160 to \$5,160 between March 2013 and March 2032. The interest on the Series 2012B Bonds is currently payable monthly, as the Series 2012B Bonds are currently held in the Index Rate Mode (and the Health System has currently elected to use the one-month LIBOR Index Interest Period in connection with such Index Rate Mode). At the conclusion of the initial Index Rate Mode (i.e. July 30,

2019), and at the option of the Health System, the Series 2012B Bonds may be converted to the Daily Mode, the Weekly Mode, the Adjustable Long Mode, the Commercial Paper Mode, another Index Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The interest payment dates, interest calculation methods, and terms, if any, upon which each Series 2012B Bond may or must be tendered for purchase in each Mode, are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2013 was 1.20%.

The Series 2012B Bonds are subject to redemption prior to maturity at the option of the Health System in accordance with the terms set forth in the bond documents. During the initial Index Rate Mode, the Series 2012B Bonds are subject to optional redemption by the Health System on any business day upon payment of all fees required by the Index Rate Agreement.

*Series 2012C* — Represents Variable Rate Direct Purchases with Wells Fargo, N.A. in a privately placed transaction. The Series 2012C Bonds principal is payable in annual payments ranging from \$11,820 to \$13,195, beginning November 2038 through November 2043. The Series 2012C Bonds interest is payable monthly, as the Series 2012C Bonds are currently held in the Index Rate Mode (with interest being calculated using the SIFMA Index Rate). At the conclusion of the initial Index Rate Mode (i.e. October 24, 2015), and at the option of the Health System, the Series 2012C Bonds may be converted to the Daily Mode, the Weekly Mode, the Adjustable Long Mode, the Commercial Paper Mode, another Index Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The interest payments, interest calculations methods, and terms, if any, upon which each Series 2012C Bond may or must be tendered for purchase in each Mode are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2013 was .74%.

The Series 2012C Bonds are subject to redemption prior to maturity at the option of the Health System in accordance with the terms set forth in the bond documents. During the initial Index Rate Mode, the Series 2012C Bonds are subject to optional redemption on any business day upon payment of the principle amount thereof, accrued interest thereon, and all fees required by the Index Rate Agreement.

*Series 2012D* — Represents Variable Rate Direct Purchases with Wells Fargo Municipal Capital Strategies, LLC in a privately placed transaction. The Series 2012D Bonds principal is payable in annual payments ranging from \$11,810 to \$13,220, beginning November 2038 through November 2043. The Series 2012D Bonds interest is payable monthly, as the Series 2012D Bonds are currently held in the Index Rate Mode (with interest being calculated using the LIBOR Index Rate). At the conclusion of the initial Index Rate Mode (i.e. October 24, 2017), and at the option of the Health System, the Series 2012D Bonds may be converted to the Daily Mode, the Weekly Mode, the Adjustable Long Mode, the Commercial Paper Mode, another Index Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The interest payments, interest calculations methods, and terms, if any, upon which each Series 2012D Bond may or must be tendered for purchase in each Mode are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2013 was .92%

The Series 2012D Bonds are subject to redemption prior to maturity at the option of the Health System in accordance with the terms set forth in the bond documents. During the initial Index Rate Mode, the Series 2012D Bonds are subject to optional redemption on any business day upon payment of the principle amount thereof, accrued interest thereon, and all fees required by the Index Rate Agreement

The Series 2000, Series 2005, Series 2008A, Series 2012A, Series 2012B and Series 2012CD bonds provide, among other things, restrictions on annual debt additions that the Health System may incur. The agreements also require that sufficient fees and rates be charged so as to provide net income available for debt service, as defined, in an amount not less than 125% of the annual principal and interest due on the Bonds. For the years ended September 30, 2013 and 2012, net income available for debt service, as defined, exceeded the minimum coverage required.

**Notes Payable** — These notes are secured by medical office buildings and guaranteed by a third party. Principal and interest are payable on a monthly basis. Per the agreements, the notes mature in 2023. Interest is fixed at 4.25%.

In July 2011, the Health System entered into an unsecured note payable agreement with an unrelated third party for the purchase of land. The amount of the note is for \$350 payable over three years. Interest is fixed at 5.0%.

In December 2010, the Health System entered into an unsecured note payable for the acquisition of the remaining membership interest in a joint venture. The amount of the principal balance of the note was \$3,563 with annual principal and interest payments payable over three years. The interest rate is fixed at 3.25% based on a published prime rate reported in the Wall Street Journal as of November 1, 2010.

**Line of Credit** — In September 2011, the Health System entered into an unsecured credit agreement with Key Bank, N.A. The agreement allows for borrowings up to \$60,000 and has a maturity date of September 15, 2016. In the event that principal amounts are outstanding, interest is incurred at a rate that is variable at the Prime Rate. The line of credit, among other things, contains an annual commitment fee of \$30 as well as a non-usage fee on the actual daily un-borrowed portion of the principal amount available at the rate of one-fifth of 1% per annum. As of September 30, 2013, there was no outstanding balance on the line of credit.

In January 2010, the Health System entered into an unsecured credit agreement with Wells Fargo Bank, N.A. The agreement allows for borrowings up to \$7,000 and has a maturity date of August 1, 2014. The line of credit is to be utilized for working capital payments related to a cash payment program the Health System operates in connection with payments to vendors. Principal amounts are advanced as vendor payments are made, and are required to be repaid on a monthly basis. As principal is paid in full on a monthly basis, no interest costs have been incurred. In the event that principal is outstanding in excess of 30 days, interest is variable at daily three month LIBOR plus 1.75%. The outstanding balance as of September 30, 2013 and 2012 was \$4,889 and \$2,821, respectively.

**Interest Costs** — During the years ended September 30, 2013 and 2012 the Health System incurred total interest costs of \$25,923 and \$23,034, respectively. During 2013 and 2012, \$969 and \$2,233, respectively, has been capitalized and is reflected as a component of property, plant, and equipment. During the years ended September 30, 2013 and 2012, the Health System made cash payments for interest of \$26,077 and \$22,047, respectively, and cash payments for bond fees of \$700 and \$1,071, respectively.

## 10. NONCONTROLLING INTEREST

The following table shows the allocation of controlling and noncontrolling interest within net assets as of September 30:

	Total Net Assets	Controlling Interest	Noncontrolling Interest
Net assets — September 30, 2011	<u>\$712,014</u>	<u>\$706,020</u>	<u>\$ 5,994</u>
Unrestricted net assets			
Revenue in excess of expenses	72,698	72,277	421
Change in noncontrolling interests	(1,666)		(1,666)
Change in net unrealized gains on investments	(127)	(127)	
Net assets released from restrictions — capital acquisitions	2,997	2,997	
Change in funded status of pension plan	<u>(12,845)</u>	<u>(12,845)</u>	
Increase in unrestricted net assets	61,057	62,302	(1,245)
Temporarily restricted net assets	6,664	6,664	
Permanently restricted net assets	<u>3,275</u>	<u>3,275</u>	
Increase in net assets	<u>70,996</u>	<u>72,241</u>	<u>(1,245)</u>
Net assets — September 30, 2012	<u>783,010</u>	<u>778,261</u>	<u>4,749</u>
Unrestricted net assets			
Revenue in excess of expenses	19,394	19,562	(168)
Change in noncontrolling interests	(1,234)		(1,234)
Change in net unrealized gains on investments	(2,029)	(2,029)	
Net assets released from restrictions — capital acquisitions	3,624	3,624	
Change in funded status of pension plan	<u>49,540</u>	<u>49,540</u>	
Increase in unrestricted net assets	69,295	70,697	(1,402)
Temporarily restricted net assets	4,215	4,215	
Permanently restricted net assets	<u>1,485</u>	<u>1,485</u>	
Increase in net assets	<u>74,995</u>	<u>76,397</u>	<u>(1,402)</u>
Net assets — September 30, 2013	<u>\$858,005</u>	<u>\$854,658</u>	<u>\$ 3,347</u>

## 11. EMPLOYEE RETIREMENT PLANS

**Defined Benefit Plans** — The St. Luke's Regional Medical, Ltd. Basic Pension Plan (the "SLRMC Plan") covers substantially all eligible employees employed by the Health System (with the exception of St. Luke's Magic Valley, Ltd. employees) on or before December 31, 1994. The SLRMC Plan was amended and restated effective January 1, 1995, to exclude employees hired on or after that date from participation in the SLRMC Plan; however, the SLRMC Plan remains in effect for those participants who qualify and were hired prior to January 1, 1995. Employees eligible for the SLRMC Plan with five or more years of service are entitled to annual pension benefits beginning at normal retirement age (65), or after obtaining age 62 with 25 years of service, equal to a percentage of their highest five-year average annual compensation, not to exceed a certain maximum. The Health System makes annual contributions to the SLRMC Plan as necessary.

The St. Luke's Magic Valley Regional Medical Center, Ltd. Plan (the "SLMVRMC Plan") covers substantially all eligible St. Luke's Magic Valley Regional Medical Center, Ltd. (SLMVRMC) employees employed by SLMVRMC on or before April 1, 2005. The SLMVRMC Plan was amended and restated effective April 1, 2005, to exclude employees hired on or after that date from participation in the SLMVRMC Plan; however, the SLMVRMC Plan remains in effect for those participants whose sum of their age plus years of credited service exceed 65 or who exceeded 10 years of service as of April 1, 2005. Participants are entitled to annual pension benefits beginning at normal retirement age (65), or after obtaining age 60 with 30 years of service, equal to a calculation based on either average annual compensation or credited service. The Health System makes annual contributions to the SLMVRMC Plan as necessary.

The following table sets forth the SLRMC Plan and the SLMVRMC Plan (collectively the "Plans") funded status, amounts recognized in the Health System's consolidated financial statements and other related financial information:

	<b>SLRMC</b>	<b>SLMVRMC</b>	<b>Total 2013</b>	<b>Total 2012</b>
Projected benefit obligation for service rendered to date	\$ 142,760	\$ 43,215	\$ 185,975	\$ 216,644
Plan assets -- at fair value	<u>112,100</u>	<u>35,217</u>	<u>147,317</u>	<u>132,044</u>
Funded status	<u>\$ (30,660)</u>	<u>\$ (7,998)</u>	<u>\$ (38,658)</u>	<u>\$ (84,600)</u>
Employer contributions	\$ 8,000	\$ 2,250	\$ 10,250	\$ 13,298
Accrued pension liability (all noncurrent)	30,660	7,998	38,658	84,600
Change in funded status	35,354	10,588	45,942	(9,734)
Amortization of prior service cost	13		13	13
Amortization of net loss	7,112	591	7,703	6,606
Net periodic benefit cost	12,545	690	13,235	12,392
Benefits paid	10,152	2,571	12,723	9,488
Accumulated benefit obligation	129,192	43,215	172,407	197,272

Amounts recognized in unrestricted net assets related to the Plans at September 30, consist of:

	<b>SLRMC</b>	<b>SLMVRMC</b>	<b>2013</b>	<b>2012</b>
Prior service cost	\$ (29)	\$ -	\$ (29)	\$ (42)
Net actuarial loss	(30,956)	(11,753)	(42,709)	(91,595)

The measurement date used to determine pension benefits is September 30. Contributions to the Plans for the year ending September 30, 2014, are expected to be approximately \$3,650.

Investments in the pension trusts are overseen by an Investment Management Subcommittee, which is made up of officers and directors of the Health System and outside experts. The overall investment strategy and policy has been developed based on the need to satisfy the long-term liabilities of the Plans. Risk management is accomplished through diversification across asset classes, multiple investment manager portfolios, and both general and portfolio-specific investment guidelines. The asset allocation guidelines for the Plans are as follows:

	Target SLRMC	Target SLMVRMC
Investments:		
Large-cap funds	20 %	20 %
Mid-cap funds	10	10
Small-cap funds	10	10
Non-U.S. funds	20	20
Fixed income	29	38
Other	11	2

Managers are expected to generate a total return consistent with their philosophy and outperform both their respective peer group medians and an appropriate benchmark, net of expenses, over a one-, three-, and five-year period. The investment guidelines contain categorical restrictions such as no commodities, short-sales and margin purchases, and asset class restrictions that address such things as single security or sector concentration, capitalization limits and minimum quality standards.

Expected long-term returns on the Plans' assets are estimated by asset classes, and are generally based on historical returns, volatilities and risk premiums. Based upon the Plans' asset allocation, composite return percentiles are developed upon which the Plans' expected long-term return is determined. As of September 30, 2013, the amounts and percentages of the fair value of Plans' assets are as follows:

	SLRMC		SLMVRMC	
Domestic equity	\$ 46,510	42 %	\$ 16,145	46 %
International equity	22,410	20	6,140	17
Fixed income	31,544	28	12,615	36
Other	11,636	10	317	1
Total	<u>\$ 112,100</u>	<u>100 %</u>	<u>\$ 35,217</u>	<u>100 %</u>

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid from the Plans:

	SLRMC	SLMVRMC	Total
2014	\$ 11,574	\$ 2,270	\$ 13,844
2015	11,507	2,349	13,856
2016	11,168	2,399	13,567
2017	11,345	2,587	13,932
2018	11,685	2,717	14,402
2019-2023	<u>56,860</u>	<u>11,952</u>	<u>68,812</u>
	<u>\$ 114,139</u>	<u>\$ 24,274</u>	<u>\$ 138,413</u>



Assumptions used in determining the actuarial present value of net periodic benefit cost of the Plans were as follows:

	2013	2012
Weighted average discount rate	3.75 %	4.75 %
Rate of increase in future compensation levels	2.5-4.00	2.50-4.00
Expected long-term rate of return on assets	6.50	7.00

Assumptions used in determining the actuarial present value of projected benefit obligation of the Plans were as follows:

	2013	2012
Weighted average discount rate	4.90 %	3.75 %
Rate of increase in future compensation levels	4.00	2.5-4.00

The principal cause of the change in the unfunded pension liability is the change in the discount rate at September 30, 2013 and 2012.

**Supplemental Retirement Plan for Executives** — The Supplemental Retirement Plan for Executives (SERP) is an unfunded retirement plan for certain executives of the Health System. The following table sets forth the funded status, amounts recognized in the Health System's consolidated financial statements, and other SERP financial information:

	2013	2012
Projected benefit obligation for service rendered to date	\$ 16,375	\$ 15,444
Plan assets — at fair value	<u>          </u>	<u>          </u>
Funded status	<u>\$ (16,375)</u>	<u>\$ (15,444)</u>
Employer Contributions	\$ 588	\$ -
Accrued pension liability (noncurrent)	15,552	14,672
Accrued pension liability (current)	823	772
Change in funded status	(931)	(3,220)
Amortization of prior service cost	8	8
Amortization of net loss	732	439
Net periodic benefit cost	2,075	2,075
Accumulated benefit obligation	14,784	14,153

The measurement dates used to determine pension benefits is September 30. Expected contributions to the Plan for the year ending September 30, 2014, are expected to be approximately \$823.

Amounts recognized in unrestricted net assets related to the SERP at September 30, consist of:

	2013	2012
Prior service cost	\$ (2)	\$ (9)
Net actuarial loss	(6,974)	(7,523)

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid from the SERP:

	<b>Benefit Payments</b>
2014	\$ 824
2015	842
2016	845
2017	841
2018	835
2019-2023	<u>5,101</u>
	<u>\$9,288</u>

As of September 30, 2013 and 2012, the accrued pension liability is included in benefit plan liabilities.

Assumptions used in determining the actuarial present value of net periodic benefit cost were as follows:

	<b>2013</b>	<b>2012</b>
Weighted average discount rate	3.60 %	4.75 %
Rate of increase in future compensation levels	4.00	4.00

Assumptions used in determining the actuarial present value of projected benefit obligation were as follows:

	<b>2013</b>	<b>2012</b>
Weighted average discount rate	4.90 %	3.60 %
Rate of increase in future compensation levels	4.00	4.00

**Defined Contribution Plan** — The Health System sponsors two defined contribution plans (the "contribution plans") that cover substantially all of its employees. The Health System's contributions to these contribution plans are at the discretion of the Health System's Board of Directors. Amounts contributed are allocated to participants based on individual compensation amounts, years of service, and the participant's level of participation in tax deferred annuity programs. During 2013 and 2012, contributions to these plans were \$30,768 and \$17,542, respectively.

## 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of ASC 825, *Financial Instruments*. The Health System accounts for certain assets and liabilities at fair value or on a basis that is approximate to fair value. The estimated fair value amounts have been determined by the Health System using available market information and appropriate valuation methodologies. However, considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Health System could realize in a current market exchange.

Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Health System has the ability to access. The level 2 inputs of the Health System include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified or contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability. The determination to measure the asset or liability as a level 3 depends on the significance of the input to the fair value measurement.

The asset or liabilities fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There were no transfers of assets between any levels during the fiscal year

Following is a description of the valuation methodologies used for the Health System's assets or liabilities measured at fair value.

**Cash, Receivables, Accounts Payable, Accrued Liabilities, and Estimated Payable to Medicare and Medicaid Programs** — The carrying amounts reported in the balance sheet for cash, receivables, accounts payable, accrued liabilities, and estimated payable to Medicare and Medicaid programs are a reasonable estimate of their fair value.

**Assets Whose Use is Limited** — These assets consist primarily of cash and cash equivalents, mutual funds, debt and equity securities, and pledges receivable. For cash and cash equivalents, pledges receivable and interest receivable, the carrying amount reported in the balance sheet approximates fair value.

For mutual funds the fair value is based on the value of the daily closing price as reported by the fund. Mutual funds held by the System are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the System are deemed to be actively traded.

For equities (common stock), the fair value is based on the value of the closing price reported on the active market on which the individual securities are traded.

For government obligations, the fair value is measured using pricing models maximizing the use of observable inputs for similar securities.

The following tables set forth by level within the fair value hierarchy a summary of the Health System's investments measured at fair value on a recurring basis as of September 30:

Fair Value Measurements as of September 30, 2013, Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Cash and cash equivalents	\$ 39,203	\$ -	\$ -	\$ 39,203
Certificates of deposit and commercial paper	6,374			6,374
Mutual funds	34,913			34,913
Government and agency securities	103,590	111,735		215,325
Corporate bonds, notes, mortgages and asset-backed securities		65,901		65,901
Foreign government bonds		25,456		25,456
Total	<u>\$ 184,080</u>	<u>\$ 203,092</u>	<u>\$ -</u>	<u>\$ 387,172</u>

Fair Value Measurements as of September 30, 2012, Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Cash and cash equivalents	\$ 90,807	\$ -	\$ -	\$ 90,807
Mutual funds	28,464			28,464
Government and agency securities	130,286	110,711		240,997
Corporate bonds and notes		52,938		52,938
Foreign government bonds		11,797		11,797
Total	<u>\$ 249,557</u>	<u>\$ 175,446</u>	<u>\$ -</u>	<u>\$ 425,003</u>

**Fair Value of Pension Plan Assets** — In addition to the types of assets listed above as held by the System, the pension plans also hold assets within limited partnerships, limited liability companies, and common collective trusts.

Limited partnerships and limited liability companies are valued at fair value based on the audited financial statements of the partnerships and the percentage ownership in the partnership. This method is an accepted practical expedient that is considered equivalent to NAV. The assets held were further considered for level of inputs used. When quoted prices are not available for identical or similar assets, real estate assets are valued under a discounted cash flow or lender survey approach that maximizes observable inputs, but includes adjustments for certain risks that may not be observable, such as such as cap & discount rates, maturities and loan to value ratios.

Common collective trusts are valued at the NAV of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, based on the hierarchy requirements for fair value guidance outlined previously, a summary of the assets of the Health System's Plans measured at fair value on a recurring basis as of September 30.

Fair Value Measurements as of September 30, 2013, Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Pension assets:				
Cash and cash equivalents	\$ 1,758	\$ -	\$ -	\$ 1,758
Domestic mutual funds	98,176			98,176
International mutual funds	5,745			5,745
Government & agency securities		15,983		15,983
Common collective trusts	5,733	9,727		15,460
Limited partnerships & liability companies		4,506	5,689	10,195
Total	<u>\$ 111,412</u>	<u>\$ 30,216</u>	<u>\$ 5,689</u>	<u>\$ 147,317</u>

Fair Value Measurements as of September 30, 2012, Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Pension assets:				
Cash and cash equivalents	\$ 2,297	\$ -	\$ -	\$ 2,297
Domestic mutual funds	94,862			94,862
International mutual funds	15,505			15,505
Collective investment funds		19,380		19,380
Total	<u>\$ 112,664</u>	<u>\$ 19,380</u>	<u>\$ -</u>	<u>\$ 132,044</u>

**Long-Term Debt** — The interest rate on the Health System's Variable Rate Demand Revenue Bonds is reset daily to reflect current market rates. Consequently, the carrying value approximates fair value. The carrying amount reported in the balance sheet for capital leased assets approximates its fair value.

The estimated fair value of the Fixed Rate Revenue Bonds as of September 30, 2013 and 2012 was \$404,704 and \$442,974, respectively. The fair value of debt was estimated by discounting the future cash flows using rates currently available for debt of similar terms and maturity.

The estimated fair value of the notes payable as of September 30, 2013 and 2012, was \$40,349 and \$43,045, respectively. The fair value was estimated by discounting the future cash flows using rates currently available for debt of similar terms and maturity.

The fair value estimates presented herein are based on pertinent information available to management as of September 30, 2013. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

### 13. COMMITMENTS AND CONTINGENCIES

The Health System leases office space under operating leases, some of which contain renewal options. Rental expense on these during 2013 and 2012 were \$15,579 and \$11,320, respectively. The Health System also leases out space in medical office buildings under non-cancelable operating leases. Rental income on these leases during 2013 and 2012 were \$2,501 and \$2,594, respectively.

As of September 30, 2013, future minimum rental income and payments on these operating leases are as follows:

<b>Years Ending September 30</b>	<b>Minimum Rental Revenue</b>	<b>Minimum Rental Payments</b>
2014	\$ 1,346	\$ 16,777
2015	1,053	15,300
2016	319	13,721
2017	194	12,868
2018	158	9,187
Thereafter	<u>164</u>	<u>20,102</u>
	<b><u>\$ 3,234</u></b>	<b><u>\$ 87,955</u></b>

As of September 30, 2013 and 2012, the Health System had commitments on construction contracts and equipment purchases totaling \$8,605 and \$5,495, respectively.

The Health System maintains professional liability coverage through a "claims made" insurance policy. The policy provides coverage for claims filed within the period of the policy term. The current policy period ends December 31, 2013, and includes provisions for purchase of tail coverage in the event a new carrier is selected. The Health System also maintains reserves based on actuarial estimates provided by an independent third party for the portion of its professional liability risks, including incurred but not reported claims, for which it does not have insurance coverage. Reserves for losses and related expenses are estimated using expected loss reporting patterns and are discounted to their present value using a discount rate of 3.0%. There can be no assurance that the ultimate liability will not exceed such estimates. Adjustments to the reserves are included in results of operations in the periods when such amounts are determined.

The Health System is routinely involved in litigation matters and regulatory investigations arising in the normal course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material effect on the Health System's future financial position, results of operations, or cash flows.

On November 12, 2012, a complaint was filed against the Health System in Idaho federal district court asserting that a planned business transaction between the Health System and an independent medical practice violated state and federal antitrust law. The suit sought money damages, attorney fees, and a preliminary and permanent injunction against the transaction. The court denied the request for a preliminary injunction, allowing the transaction to close in December of 2012, but set a trial on plaintiffs' request for an order unwinding the transaction. On March 26, 2013, the Federal Trade Commission and the State of Idaho filed a separate complaint for a permanent injunction requiring the Health System to unwind the transaction and for attorney fees incurred by the Office of the Idaho Attorney General. The public plaintiffs asserted that the transaction violated state and federal antitrust law. The court consolidated the actions of the private and public plaintiffs.

By order dated September 24, 2013, the court dismissed the private plaintiffs' claim for money damages. The consolidated actions were tried without a jury in September and October of 2013.

On January 24, 2014, the Idaho federal district court issued a Memorandum Decision and Order (the "Order") finding for the plaintiffs and ordered the Health System to unwind the business transaction. The order denied all other request of the plaintiffs. The Health System is evaluating the result of the Order including the rights to appeal or other legal alternatives. As a result, the Health System is unable to reasonably estimate the possible loss or range of losses, if any, arising from the litigation.

#### 14. FUNCTIONAL EXPENSES

The Health System provides medical and healthcare services to residents within its geographic location. Expenses related to providing these services for the years ended September 30 are allocated as follows:

	2013	2012
Professional, nursing, and other patient care services	\$ 1,209,867	\$ 1,121,539
Fiscal and administrative support services	<u>267,954</u>	<u>248,644</u>
	<u>\$ 1,477,821</u>	<u>\$ 1,370,183</u>

#### 15. GOODWILL AND OTHER INTANGIBLES

The Health System considered various events and circumstances when it evaluated whether its reporting unit fair values were less than their carrying value. Based on the Health System's assessment of relevant events and circumstances, the Health System has concluded that there was no impairment of goodwill for the fiscal years ended September 30, 2013 and 2012.

As of September 30, 2013 and 2012, the Health System had \$37,693 and \$31,864, respectively, of goodwill recorded on the consolidated balance sheet. The change in goodwill of \$5,829 and \$1,632 for the years ended September 30, 2013 and 2012, respectively, is from acquisitions occurring during these fiscal years.

Other intangible assets of the Health System include covenants not to compete related to the acquisition of medical practices and are amortized over their useful lives, which typically range from five to seven years. Other intangible assets as of September 30 consist of:

	2013	2012
Covenants not to compete	\$ 46,427	\$ 39,199
Less accumulated amortization	<u>(26,999)</u>	<u>(18,653)</u>
Total other intangible assets	<u>\$ 19,428</u>	<u>\$ 20,546</u>

We recorded amortization expense of \$8,345 and \$7,278 for the years ending September 30, 2013 and 2012, respectively. Expected future amortization expense related to intangible assets as of September 30 is as follows:

Years Ending September 30	Amount
2014	\$ 7,793
2015	6,665
2016	3,008
2017	1,612
2018	350
Thereafter	<u>          </u>
	<u>\$ 19,428</u>

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## **Introduction**

The St. Luke's Wood River 2013 Community Health Needs Assessment Implementation Plan describes the programs and resources St. Luke's and other community groups plan to employ to address the most important health needs identified in our 2013 Community Health Needs Assessment (CHNA). Our Implementation Plan is divided into two main sections. The first section contains a list of the health needs identified in our CHNA. In addition, it provides the prioritization score for each health need, explains how the community could serve the need, and describes St. Luke's involvement in addressing the need. The second section of our implementation plan defines the programs and services St. Luke's plans to implement to address specific needs. For each program, there is a description of its objective, tactics, expected impact, and partnerships.

Stakeholder involvement in determining and addressing community health needs is vital to our process. We thank, and will continue to collaborate with, all the dedicated individuals and organizations working with us to make our community a healthier place to live.

St. Luke's contact person name: Tanya Keim, Director,  
Administrative Services and Community Relations  
Phone number: 208-727-8425

## Methodology

We designed the St. Luke's Wood River 2013 CHNA to help us better understand the most significant health challenges facing the individuals and families in our service area. To accomplish this goal, we collaborated with representatives from our community to help us identify and prioritize our most important health needs. Each identified health need was included in one of these four categories: 1) health behavior needs; 2) clinical care needs; 3) social and economic needs; and 4) physical environment needs.

Our health needs were then ranked using a numerical prioritization system. Points were allocated to each need based on scores provided by our community leaders as well as scores for related health factors. The more points the health need and factor received, the higher the priority and the higher the potential to positively impact community health. Health needs and factors scoring above the median were highlighted in light orange in the tables below. Health needs and factors with scores in the top 20<sup>th</sup> percentile were highlighted in dark orange and are considered to be high priorities.

Next, to complete our CHNA Implementation Plan, we collaborated with community representatives to address the most significant health needs. To determine the health needs St. Luke's will address directly, we utilized the following decision criteria:

1. Health needs ranked in the top 20<sup>th</sup> percentile in our CHNA were considered first. Other health needs that scored above the median were also given priority. In order to focus limited resources on the health needs possessing the greatest potential to improve community health (the most significant needs), health needs scoring below the median were not addressed as part of this implementation plan.
2. Next we examined whether it would be most effective for St. Luke's to address a higher priority health need directly or whether another community organization was better positioned to address the need. To make this determination, we focused on whether the health need was in alignment with St. Luke's mission and strengths. Where a high priority need was substantially in alignment with both our mission and strengths, St. Luke's provided at least one program to address that need. Where a high priority need was not in alignment with our mission and strengths, St. Luke's tried to identify or partner with a community group or organization better able to serve the high priority need.
3. A single health improvement program can often support the success of multiple related health needs. For example, fitness and nutrition programs also support and strengthen weight management programs. Therefore, to better understand the total impact our programs are having on a health need, we arranged programs that reinforce one another into groups as defined later in this implementation plan.

## List of Needs and Recommended Actions

### Health Behavior Category

Our community's high priority needs in the health behavior category are: Substance abuse programs; weight management programs; and wellness and prevention programs for mental illness. Substance abuse ranks as a high priority need due to its high community leader score and because our community has an above average level of binge drinking. Weight management ranks as a high priority because obesity is trending higher in our community and is a contributing factor to a number of other health conditions. Mental illness ranks high because Idaho has one of the highest percentages (22.5%) of any mental illness (AMI) in the nation.

Table Color Key	
Dark Orange	= High priority ( total score in the top 20 <sup>th</sup> percentile)
Light Orange	= Total score above the median
White	= Total score below the median

Identified Community Need	Related Health Outcome or Factor	Total CHNA Score	Alignment with Mission and Strengths: High, Med, low	Non-St. Luke's Community Resources Available to Address Need	Recommended Action and Justification
Substance abuse services and programs	Alcohol	18.7	Mission: Medium Strength: Low	Blaine County Community Drug Coalition, Health and Welfare, private licensed mental health providers, NAMI, Alcoholics Anonymous	St. Luke's will directly and indirectly support drug/alcohol programs in our community because this need is aligned with our mission and is ranked in the top 20 <sup>th</sup> percentile. The Blaine County Drug Coalition leads the education and prevention efforts and St. Luke's will continue to support them financially and partnering with their programs. St. Luke's will continue its direct support through financial assistance for counseling and through the

					implementation of an outpatient mental health clinic (Fall 2013). The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
	Illicit drug use	17.7	Mission: Medium Strength: Low	Blaine County Community Drug Coalition, Health and Welfare, private licensed mental health providers, NAMI, Narcotics Anonymous	St. Luke's will directly and indirectly support drug/alcohol programs in our community because this need is aligned with our mission and is ranked in the top 20 <sup>th</sup> percentile. The Blaine County Drug Coalition leads the education and prevention efforts and St. Luke's will continue to support them financially and partnering with their programs. St. Luke's will continue its direct support through financial assistance for counseling and through the implementation of an outpatient mental health clinic (Fall 2013). The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
	Vehicle crash death rate	17.7	Mission: Low Strength: Low	Blaine County Community Drug Coalition, Health and Welfare, private licensed mental health providers, NAMI, Narcotics Anonymous, Alcoholics Anonymous	Vehicle crash death rate is used in our CHNA as an indicator of substance abuse; therefore, we will address this need through the support of the drug and alcohol programs described in the following section of this Implementation Plan. Also, we have a program for child car safety seats described in the section below.
Weight management	Obese Adults	18	Mission: High Strength: Low	There are national and local weight management	St. Luke's will directly support adult weight management because this need is aligned with our mission and strengths and although there

				programs available in our community, ie Weight Watchers, Curves, and local fitness centers.	are other programs available in our community the need is still ranked in our CHNA's top 20 <sup>th</sup> Percentile. In addition, we will also indirectly support adult weight management through our fiscal and programmatic partnerships with other fitness centers in the community. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
	Obese/Over-weight Teens	19	Mission: High Strength: Low	There are national and local weight management programs available in our community, ie Weight Watchers, Curves, and local fitness centers.	St. Luke's will directly support teen weight management programs because this need is aligned with our mission and strengths. In addition, we will indirectly support teen weight management through our fiscal and programmatic partnerships with other fitness centers in the community. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
Wellness/ prevention	Mental illness	18.5	Mission: High Strength: High	Health and Welfare, private licensed mental health providers, NAMI, AA/NA, Blaine County Probation/Prosecuting Attorney's office	St. Luke's will directly support Mental health wellness programs because this need is aligned with our mission and is ranked in the top 20 <sup>th</sup> percentile. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
Exercise programs/ education	Teen exercise	13.5	Mission: Medium Strength: Low	There are national and local weight management programs available	St. Luke's will support teen exercise programs because this need is aligned with our mission and is ranked above the median. The programs St. Luke's directly supports are described in the

					in our community, ie Weight Watchers, Curves, and local fitness centers.	following section of this Implementation Plan.
Safe-sex education programs	Sexually transmitted infections	16.1	Mission: Low Strength: Low	Planned Parenthood of the Great Northwest, Public Health Department	St. Luke's will support a safe sex education program by continuing to partner with a regional organizing to provide local programming for sex education. The program St. Luke's directly supports is described in the following section of this Implementation Plan.	
	Teen birth rate	15.1	Mission: Low Strength: Low	Planned Parenthood of the Great Northwest, Public Health Department, Blaine County Schools	St. Luke's will support a safe sex education program by continuing to partner with a regional organizing to provide local programming for sex education. The program St. Luke's directly supports is described in the following section of this Implementation Plan.	
Tobacco cessation programs	Smoking	15	Mission: High Strength: Low	Public Health Department	Tobacco cessation is not a strength of St. Luke's Wood River, and as a critical access hospital we will focus our limited resources on higher priority needs. St. Luke's will indirectly support tobacco cessation programs by referring to our community partners who provide them.	
Wellness/ prevention	Accidents	13.5	Mission: Low Strength: Low		St. Luke's will address accidental deaths by supporting programs for drug abuse as described above. Improvement in drug and alcohol abuse rates has been shown to lower the vehicle crash death rates. Also, we have a program for child car safety seats described in the section below.	
	Breast cancer	14.5	Mission: High Strength: High	American Cancer Society, Susan G	St. Luke's will directly and indirectly support programs and services to educate, diagnose	

					Komen Foundation	and treat breast cancer because this need is highly aligned with our mission and strengths and is ranked above the median. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
	Cerebrovascular diseases	13.5	Mission: High Strength: High			St. Luke's will directly support programs that address cerebrovascular diseases. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
	Suicide	16.5	Mission: Medium Strength: Low		NAMI, private licensed mental health providers, Health and Welfare, Idaho Suicide Hotline, Crisis Hotline	St. Luke's will directly and indirectly support programs and services that address suicide. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
Exercise programs/ education	Adult physical activity	12.5	In order to focus limited resources on the health needs possessing the greatest potential to improve community health (the most significant needs), health needs scoring below the median were not directly addressed as part of our implementation plan.			
Nutrition education	Adult nutrition	12.8				
	Teen nutrition	14.8				
Wellness and prevention (scores below the median)	AIDS	15.1				
	Alzheimer's	14.1				
	Arthritis	15.1				
	Asthma	12.1				



	Colorectal cancer	11.1
	Diabetes	15.1
	Flu/pneumonia	9.5
	Heart disease	12.5
	High blood pressure	12.5
	High cholesterol	12.5
	Leukemia	8.5
	Lung cancer	10.5
	Leukemia	8.5
	Nephritis	11.5
	Non-Hodgkin's lymphoma	8.5
	Pancreatic cancer	11.5
	Prostate cancer	10.5
	Respiratory disease	10.5
	Skin cancer	11.5

## Clinical Care Category

High priority clinical care needs include: Affordable care and availability of behavioral health services. Affordable care ranks as a high priority need due to its high community leader score and because an increasing number of people in our community are living in poverty (especially children). Availability of behavioral health services ranks as a top priority due to our health leader's scores and because Idaho has a shortage of behavioral health professionals.

Identified Community Need	Related Health Outcome or Factor	Total CHNA Score	Alignment with Mission and Strengths: High, Med, low	External Community Resources Available to Address Need	Recommended Action and Justification
Affordable care	Children in poverty	18.4	Mission: High Strength: High	Health and Welfare, Blaine County Commissioners	St. Luke's will directly support programs designed to provide affordable care especially to those with low incomes because this need is aligned with our mission and strengths and although there are other programs available in our community the need is still ranked in our CHNA's top 20 <sup>th</sup> percentile. The programs St. Luke's directly supports are described in the following section of this Implementation Plan. Affordable care is a national priority that St. Luke's cannot address on its own. St. Luke's will continue to rely on community and national programs and resources to help us address this need.
Availability of behavioral health services	Mental health service providers	19.4	Mission: High Strength: Low	Health and Welfare, private licensed mental health providers, Blaine County School District	St. Luke's will directly support Mental Illness programs in our community because this need is ranked in the top 20 <sup>th</sup> percentile and is aligned with our mission. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.

Affordable health Insurance	Uninsured adults	15.5	Mission: Medium Strength: Low	Health and Welfare, Blaine County Commissioners, Family Health Services	St. Luke's will directly support programs designed to help provide affordable health insurance because this need is aligned with our mission and although there are other programs available in our community the need is still ranked in our CHNA's top 20 <sup>th</sup> percentile. Affordable health insurance is a national priority that St. Luke's cannot address on its own. St. Luke's will continue to rely on community and national programs and resources to help us address this need. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
More providers accept public health insurance	Children in poverty	15.5	Mission: High Strength: High	Health and Welfare, Family Health Services	St. Luke's accepts public and commercial health insurance including Medicare and Medicaid because this need is highly aligned with our mission and strengths and this need is ranked above the median. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
Screening programs	Cholesterol	14.7	Mission: High Strength: High		St. Luke's will provide cholesterol screening programs because this need has a high alignment with our mission and strengths and is ranked above the median. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
	Diabetic screening	15.7	Mission: High Strength: High		St. Luke's will provide diabetic screening programs because this need has a high alignment with our mission and strengths and is ranked above the median. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.

					following section of this Implementation Plan.
Affordable dental care	Dental visits, preventive	10.4			
Availability of primary care providers	Primary care providers	12.1			
Chronic disease management	Arthritis	11.4			
	Asthma	8.4			
	Diabetes	13.4			
	High blood pressure	13.4			
Immunization programs	Children immunized	8.1			
	Flu/pneumonia	13.1			
Improved health care quality	Preventable hospital stays	10			
Integrated, coordinated care (less fragmented)	Preventable hospital stays	12.6			
Prenatal care programs	Low birth weight	12.8			
	Prenatal care 1st trimester	12.8			
Screening programs	Colorectal screening	11.7			
	Mammography screening	9.7			
In order to focus limited resources on the health needs possessing the greatest potential to improve community health (the most significant needs), health needs scoring below the median were not directly addressed as part of our implementation plan.					

## Social and Economic Category Summary

Children and family services for low income populations is the only high priority social and economic health need. The increasing number of children living in poverty in our service area drives this need.

Identified Community Need	Related Health Outcome or Factor	Total CHNA Score	Alignment with Mission and Strengths: High, Med, low	Non St. Luke's Community Resources Available to Address Need	Recommended Action and Justification
Children and family services	Children in poverty	17.9	Mission: Low Strength: Low	Health and Welfare, Hunger Coalition, Blaine County School District, local churches	St. Luke's will not develop its own children and family support services due to resource constraints and because this need has a low alignment with our mission and strengths: however, we will provide financial sponsorship support to organizations in our community serving this need because the need is ranked above the median. St. Luke's will also indirectly support this need through informational and referral services offered from our St. Luke's Center for Community Health office.. The organizations St. Luke's sponsors are described in the following section of this Implementation Plan.
Education support and assistance programs	Education	15.8	Mission: Low Strength: Low	College of Southern Idaho, Blaine County School District	Although this need is ranked above the median, St. Luke's will not develop its own education and support assistance programs due to resource constraints and because this need has a low alignment with our mission and strengths. St. Luke's will indirectly support this need through informational and referral services offered from our St. Luke's Center for

					Community Health office.	
Homeless services	Unemployment rate	13.4	Mission: Low Strength: Low	The Advocates, local churches, Blaine County Commissioners, local law enforcement	Although this need is ranked above the median, St. Luke's will not develop its own homeless services programs due to resource constraints and because this need has a low alignment with our mission and strengths. However, we will provide financial sponsorship support to organizations in our community serving this need because the need is ranked above the median. St. Luke's will also indirectly support this need through informational and referral services offered from our St. Luke's Center for Community Health office. The organizations St. Luke's sponsors are described in the following section of this Implementation Plan.	
Children and family services	Inadequate social support	12.9	In order to focus limited resources on the health needs possessing the greatest potential to improve community health (the most significant needs), health needs scoring below the median were not directly addressed as part of our implementation plan.			
Disabled services		12.9				
Job training services	Unemployment rate	13.1				
Senior services	Inadequate social support	11.6				
Veterans' services	Inadequate social support	11.4				
Violence and abuse services	Safety - homicide rate	11.4				

### Physical Environment Category Summary

In the physical environment category, there are no identified high priority needs. Both our community leaders and the health factor data indicate we have a physical environment that supports good health.

Identified Community Need	Related Health Outcome or Factor	Total CHNA Score	Alignment with Mission and Strengths: High, Med, low	Non St. Luke's Community Resources Available to Address Need	Recommended Action and Justification
Availability of recreation and exercise facilities	Recreational facilities	7.9			
Availability or access to healthy foods	Limited access to healthy foods	10.1			
Healthier air quality, water quality, etc.	Air pollution	10.7			
Transportation to and from appointments		13.1			
In order to focus limited resources on the health needs possessing the greatest potential to improve community health (the most significant needs), health needs scoring below the median were not directly addressed as part of our implementation plan.					

## **St. Luke's CHNA Implementation Programs**

This section of our implementation plan provides a list and description of the health improvement programs St. Luke's is executing to address the community health needs ranked above the median. Sometimes a single health improvement program supports the success of multiple related health needs. For example, fitness programs also support and strengthen weight management programs. Therefore, to better understand the total impact our programs are having on a health need, we arranged programs that reinforce one another into the groups defined

### **High Priority Program Groups**

#### **Program Group 1: Behavioral Health and Substance Abuse Services and Programs**

- Alcohol
- Illicit drug Use
- Mental illness
- Suicide
- Mental health service providers
- Vehicle crash death rate

#### **Program Group 2: Weight Management and Fitness**

- Obese/overweigh adults
- Obese/overweight teens
- Teen Exercise

#### **Program Group 3: Barriers to Access**

- Children and family services
- Affordable Care
- Affordable health insurance
- More providers accept public health insurance
- Homeless services

#### **Program Group 4: Additional Health Screening and Education Programs Ranked Above the Median**

- Breast cancer
- Cerebrovascular disease
- Sexually transmitted infections
- Teen birth rate
- Cholesterol
- Diabetic Screening
- Smoking



The following pages describe the programs contained in our five high priority program groups. Each program description includes information on its target population, tactics, approved resources, and goals.

## **Program Group # 1: Behavioral Health and Substance Abuse Services and Programs**

Programs for mental illness, availability of mental health service providers, and substance abuse were identified as high priority community health needs. Suicide prevention was ranked above the median. We grouped the programs designed to serve these needs together because we believe they reinforce one another.

### **1. Program Name: Mental Health Scholarship Fund**

#### **Community Needs Addressed:**

Alcohol  
Illicit drug use  
Mental illness  
Suicide  
Children in poverty – affordable care  
Barriers to access – affordable health insurance

#### **Target Population:**

This program provides funding and facilitates access to mental health counseling for uninsured and underinsured individuals and families.

#### **Description and Tactics (How):**

This scholarship fund helps offset the high costs of community-based mental health counseling for people in need. These critical counseling sessions help address a wide range of mental health issues including suicide, parenting, anxiety, and depression.

Referrals to access the Mental Health Scholarship Fund come from the Center's depression screenings, physicians, local counselors, school social workers, and individuals and families who self identify. The Center for Community Health works with individuals to determine their eligibility, which includes clients who do not have private insurance or Medicaid/Medicare that would otherwise pay to access this help. The Center then works with each individual to establish an agreement, outlining how much the individual can afford to pay towards their counseling and how much the Center will pay. We limit our contribution to \$200 per person per year.

#### **Resources (budget):**

We have budgeted \$6,000 for this program in fiscal year 2014. Staff at the Center for Community Health are responsible for managing referrals to this program and for tracking contracts and outcomes.

**Expected Program Impact on Health Need:**

Currently we send recipients an anonymous evaluation after their contract has been completed asking for feedback about various things, such as their experience with our service, if the financial assistance was helpful to them, and if their counseling was helpful. 100 percent of all evaluations returned indicate it was helpful. Additionally, we measure the impact of our program by the number of people we serve each year.

**Partnerships/Collaboration:**

Blaine County Commissioners and the Wood River Charitable Foundation have contributed funds to our program. We work closely with school district social workers, physicians, social service providers, law enforcement, and churches for referrals to the program.

**Comments:**

## **2. Program Name: National Depression Screening program**

### **Community Needs Addressed:**

Alcohol  
Illicit drug use  
Mental illness  
Mental health service providers

### **Target Population:**

General community, ages 18+, who are concerned about their mental health.

### **Description and Tactics (How):**

The National Depression Screening is a free program provides increased awareness of the signs and symptoms of depression and mental health resources. The program includes a bimonthly one hour screening by a licensed mental health provider screens for depression, bipolar disorder, anxiety, or posttraumatic stress. The provider uses the results of the screening tool to make appropriate referrals to mental health or any other related services the client needs.

### **Resources (budget):**

- Resources utilized include the hours of the St. Luke's licensed clinical social worker, Center for Community Health support staff hours and marketing costs and have budgeted approximately \$2,000 to facilitate this program in fiscal year 2014.

### **Expected Program Impact on Health Need:**

- We track number of people served. In FY12 – 16 people were served. The number of depression screenings is anticipated to increase by 20% in FY14.
- We will track the number of participants who get referred to our outpatient mental health clinic for further patient care.

### **Partnerships/Collaboration:**

Instructions: Provide any partnerships we have in the community related to this program and how the partnerships work.

### **Comments:**

Instructions: Provide any additional comments you wish to make about the program.

### **3. Program Name: St. Luke's Clinic – Mental Health Services (to open Fall 2013)**

#### **Community Needs Addressed:**

- Mental Illness
- Suicide Prevention
- Availability of Mental Health Providers
- Alcohol
- Illicit Drug Use
- Affordable Care
- More providers accept public health insurance

#### **Target Population:**

General community. Patients will be self referrals or referred by local health care providers. Mental health providers are trained to care for patients from early adolescence through the end of life.

This program will accept most insurance plans, including Medicare, in-state Medicaid, Tricare, Blue Cross/Blue Shield, and others. Sliding fee scale for clients who have no insurance will also be offered.

#### **Description and Tactics (How):**

St. Luke's Clinic – Mental Health Services will be opening a new full-service psychiatric clinic prepared to treat mental illness with understanding, compassion, and skill. We treat a variety of conditions, including:

- Mood disorders, including bipolar disorder and major depression
- Anxiety disorder
- Obsessive-compulsive Disorder (OCD)
- Panic disorder
- Post-traumatic Stress Disorder (PTSD)
- Psychosis

Our providers (physicians, nurse, and therapists (LCSW & LCPC) at St. Luke's Clinic will specialize in the treatment of mental illness with a focus on wellness. We will provide compassionate expertise during times of psychiatric instability, allowing patient to work closely with a personalized care team that also includes medication providers and their local primary care doctor.

#### **Resources (budget):**

We anticipate staffing the clinic in the first year with 1 FTE Psychiatrist, 1 FTE Nurse, 1-2 FTE Licensed Clinical Social Workers, and 1 FTE Patient Access. Additionally, we have tenant improvements costs for the build out of clinic space. Anticipated expenses to build and start providing services in the first fiscal year of operations is approximately \$980,000.

#### **Expected Program Impact on Health Need:**

The objective of our program is to help patients achieve a reprieve in their symptoms so they can return to the care of their primary care doctor during periods of stability. In addition, we will work to ensure a smooth transition between our mental health treatment team and their primary care physician so there are no breaks in services and patient is able to utilize natural supports in their community. The goal of our team is to reduce or minimize admission or readmission to emergency departments and/or inpatient hospitalization.

- We plan to measure all patients for depression using PHQ9 at intake and at upon completion of treatment at the clinic. Upon completion of treatment, our goal is to have the PHQ9 score at a level where they may be safely discharged to their primary care physician.
- We also plan to measure some patients with anxiety using GAD-7 at intake and at upon completion of treatment at the clinic. Upon completion of treatment, our goal is to have the GAD-7 score at a level where they may be safely discharged to their primary care physician.
- We will conduct a physician survey to measure the percent who respond that access to mental health services for their patients has improved. We will use this as a baseline with a goal to increase the percentage who respond positively the following year.

**Partnerships/Collaboration:**

Our program will collaborate with St Luke's inpatient hospitals, specialty clinics, family practice and primary care physicians to develop a coordinated care plan and ensure continuity of care. In addition, we will partner and provide referrals with independent psychiatrists, Idaho Health and Welfare, independent behavioral health programs and providers, and other specialty clinics or services.

**Comments:**

#### **4. Program Name: Social Work Inpatient**

##### **Community Needs Addressed:**

- Mental Illness
- Suicide Prevention
- Availability of Mental Health Providers
- Alcohol
- Illicit Drug Use

##### **Target Population:**

Program serves patients of all ages.

St. Luke's facilities accept most insurance plans, including Medicare, in-state Medicaid, Tricare, Blue Cross/Blue Shield, and others. As well as sliding fee scale for client who have no insurance.

##### **Description and Tactics (How):**

The purpose of Social Work at St Luke's is to enhance the quality of patient care as part of the interdisciplinary team through comprehensive psychosocial assessments, exploration and resolution of social, emotional and psychological factors affecting the patient's treatment or impeding recovery; clinically sound interventions including complex discharge planning, and providing linkage and referrals to appropriate resources to ensure quality care.

##### **Resources (budget):**

.5 FTE, licensed clinical social worker

##### **Expected Program Impact on Health Need:**

Social Work is a clinical support department providing professional social work services to inpatient areas within the St Luke's Wood River Medical Center. Services provided include:

- Assessment of psychosocial, emotional factors which impact the patient's care, response to treatment or have an impact on recovery
- High risk patient case finding and screening
- Comprehensive focused assessments revolving around mental health issues, suicide, drug and alcohol abuse, family violence, child or elder abuse or other issues which impact the patient and/or family
- End of life care including: assistance with advanced directives and end of life decision-making
- Financial counseling, referrals to entitlements, pharmaceutical assistance programs, and community resources
- Mediation with patients and families related to patient illness, discharge needs and decision making
- Facilitating support groups
- Consultation to medical staff, interdisciplinary team members, patients and families related to understanding the emotional impact of illness, disease and disability
- Crisis intervention

**Partnerships/Collaboration:**

Our department heavily relies on community and partner agency referrals, resources, and collaborates for successful discharge of patients. We partner with St Luke's specialty clinics, family practice and primary care physicians and the Center for Community Health. In addition, coordinate with skilled nursing facilities, assisted living, and other out of home treatment facilities. In addition, we partner and provide referrals with independent psychiatrists, Idaho Health and Welfare, independent behavioral health programs, other specialty clinics or services, and psychiatric inpatient hospitals.

**Comments:**

## **5. Program Name: Blaine County Community Drug Coalition - IDFY**

### **Community Needs Addressed:**

Alcohol  
Illicit Drug Use

### **Target Population:**

General Community specifically middle school age children through adult.

### **Description and Tactics (How):**

Idaho Drug Free Youth is a continually growing mix of middle school students who pledge not to drink alcohol or use drugs. Currently, the program is serving over 50 students in the middle and high school. In return, the group gets to do fun free activities. These activities help support healthy living and provide a method for youth to make positive connections and new friendships. IDFY has also recently expanded to the high school level, encompassing more than 30 students to begin the IDFY – Above the Influence chapter.

Blaine County Community Drug Coalition offers free at-home drug screening tests for any community members who request one. This service allows parents/guardians to randomly drug test their children at home if they suspect illegal drug use.

Educational Talks to the Community and Schools – the Coalition holds community events and to educate students and parents about the national/state/local drug usage trends. In addition, they provide information on local resources available to help with drug issues.

The Search Institutes Developmental Assets Survey – The Coalition administers a survey to all 6, 8, 10,12th graders every 1-2 years to evaluate the behaviors of the students. The survey includes questions pertaining to drug and alcohol use.

### **Resources (budget):**

These programs are funded by philanthropy through the St. Luke's Wood River Foundation. We are anticipating a request from the Blaine County Community Drug Coalition ranging in the amount between \$50K-\$75K. The specific amount we fund will be decided by the Foundation Board of Directors in FY14 after reviewing the request and the prior year's outcomes.

### **Expected Program Impact on Health Need:**

All of the organizations listed above are required to submit a Project Performance Report at the end of the program year, documenting the success of their program by number of participants and/or outcomes.



**Partnerships/Collaboration:**

St. Luke's partners with the Blaine County Community Drug Coalition, Local police departments, and Blaine County School District on programs and services related to drug use in our community. We provide in-kind support, financial support and programmatic support as needed.

## **6. Program Name: Car Seat Safety Checks**

### **Community Needs Addressed:**

Vehicle crash death rate

### **Target Population:**

Children needing car seats

### **Description and Tactics (How):**

Certified child passenger safety technicians install car seats before newborns are discharged from the medical center, fit older children to their seats, teach proper installation, and check for recalls. We offer monthly scheduled car seat checks or people can call for individual checks.

### **Resources (budget):**

Two of our OB nurses are certified child passenger technicians; the cost to pay them for inspections is approximately \$1,500. Our Volunteer Board purchase 24 car seats each year to give to families in need for a cost of \$1,000.

### **Expected Program Impact on Health Need:**

We expect that properly fitting children to car seats prevents unnecessary injuries from car accidents. We do not allow an infant to leave the medical center after birth without a properly installed car seat. We track the number of car seat checks we perform each year. In FY12, we performed 90 car seat checks. We will increase this number by 5%.

### **Partnerships/Collaboration:**

We receive training support, car seats, and boosters from Safe Kids of the Magic Valley.

## **7. Program Name: Community Health Sponsorship Fund**

### **Community Needs Addressed:**

Mental Illness wellness and management  
Substance Abuse  
Obese/overweight Adults  
Obese/overweight teens  
Teen Exercise

### **Target Population:**

General community

### **Description and Tactics (How):**

The Community health sponsorship Fund was created by St. Luke's Wood River in 2001 when the hospital opened. Since then, over \$600,000 has been distributed to organizations throughout our community. The sponsorship fund provides financial support for organizations sharing a common goal to improve the health of people in our region. In FY 2013, the funds provided 21 programs throughout the region with nearly 65,000 in funding.

### **Resources (budget):**

In FY2013, SLWR provided funding to the following organizations: (not complete list)

- The Advocates
- Blaine County Recreation District
- Wood River Valley YMCA
- Ketchum/Sun Valley Rotary
- Camp Rainbow Gold
- Sustain Blaine
- Wood River High School
- Swiftsure Therapeutic Equestrian Center
- Girls on the Run

### **Expected Program Impact on Health Need:**

SLWR disburses funds to organizations that have like missions of improving the health of our community. These organizations all do that in very different ways, but it is our expectation the organizations submit their outcomes on the programs we have funded or how the funds impacted specific programs which show alignment with our health initiatives.

## **Program Group 2: Weight Management/Fitness Programs Ranked as High Priority**

Adult and teen weight management programs were ranked as high priority health needs. According to the CDC, the key to achieving and maintaining a healthy weight is about a lifestyle that includes healthy eating, regular physical activity, and balancing the number of calories you consume with the number of calories your body uses.<sup>1</sup> Therefore, our weight management programs include physical activity and nutrition components. There is great diversity in patient needs when it comes to weight management. No single program can address the entire range of patient medical needs, schedules, or preferences. Therefore, St. Luke's has chosen to offer a number of weight loss programs designed to meet a wide variety patient circumstances

### **8. Program Name: YEAH (Youth Engaged in Activities for Health)**

#### **Community Needs Addressed:**

Obese/overweight teens  
Teen exercise

#### **Target Population:**

Our YEAH! model is offered to families with a child whose BMI is > 85<sup>th</sup> %/age. This is considered "overweight." Most of our participants have a BMI > 95<sup>th</sup>%, which is considered obese.

#### **Description and Tactics (How):**

YEAH! (Youth Engaged in Activities for Health!) is a program that promotes health by teaching exercise, nutrition, and behavior management classes. Participants and at least 1 parent meet for 3 hours each week:

- 1 hour is nutrition education, taught by the RD. Various topics are covered, and a snack/mini meal is made with the help of participants in each class.
- 2 hours a week are physical activity based, using a curriculum provided. At week 1 and 8, physical assessment are done to test improvement.
- Traditionally, nutrition and physical activity are held one night/week, with an additional night of activity.

#### **Resources (budget):**

The cost to run each eight-week program costs St. Luke's approximately \$6,000, with no charge to the participant. These costs include staffing (RD, interpreter, exercise staff from our partner, YMCA), facility costs (program run at the YMCA and St. Luke's pays for space), food, discounted passes at the YMCA, and supplies. We are working towards securing funding to continue the program, plus looking to add another community partner, the Blaine County Recreation District, to assist us in providing the program in an additional location in the community.

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<sup>1</sup> <http://www.cdc.gov/healthyweight/index.html>

**Expected Program Impact on Health Need:**

We expect to run 2-3 YEAH programs in FY 14. Typically, we have approximately 6 children and their parents complete the program. Outcome data is collected on weight, height, BMI, waist circumference, blood pressure, fitness improvements and quality of life. Our goal is to have 80% of the people who enroll complete the program and show statistically significant differences from baseline as a result of participation in YEAH as shown below:

- Waist size at 12 months, average decrease of 2.5"
- Blood pressure at 6 months, 2 point drop in systolic, 4 point drop in diastolic
- Resting heart rate at 6 months – 103.6 to 87 beats per minute
- After 6 months, our goal is to show statistically significant improvement in the following fitness measures: step, squat, crunches, pushups, and back extension..
- BMI decrease at 12 months of 1.4.

**Partnerships/Collaboration:**

Wood River Community YMCA provides us staffing support (for which we pay), facility usage (for which we pay), and promotional support.

**Comments:**

Instructions: Provide any additional comments you wish to make about the program.

## 9. Program Name: BestU

### Community Needs Addressed:

Obese/overweight adults

### Target Population:

General community

### Description and Tactics (How):

BEST U is an all encompassing weight loss class, offered 3x/year for \$96 per person. Two out of the three sessions are 12 weeks, while the summer is an 8 week program. Each class meets for 1 hour and 15 minutes.

Before the session starts, each participant meets with a registered dietitian for 30 minutes, individually. During this time, habits are reviewed and individual goals are set.

The first half hour is led by a physical therapist. Participants participate in various exercises in class and are encouraged to be active at home. Each participant is given a book, that includes exercises they can do on their own, and a resistance band.

The second part of the class is taught by a registered dietitian. It is lectured based; mostly focusing on nutrition, goal setting and avoiding emotional eating. Stress management techniques are also taught.

Finally, participants are weighed weekly. During their weigh-in, they are able to discuss what is going well, and problem solve what is not going well.

### Resources (budget):

1. \*\*\*Registered Dietitian\*; ~ 3 hours/week ~ \$1025 per session
2. \*\*\*Physical Therapist \*1-2 hours/week ~\$612\*\*
3. Participant materials; covered by the \$50 employees pay or the \$96 participants pay.
4. Conference room space covered by hospital budget.

#### **\*\*\* Total Staffing Cost: per session \$1,637**

\*St. Luke's Employee Health and Wellness pays for time, when St. Luke's Employees participate; expected to be covered

\*\* Based off average physical therapist in Idaho at 1.5 hours/week

\*\*\*Does not include benefits

### Expected Program Impact on Health Need:

Goal: Participants will lose 5-7% of body weight in the 12 week program; maintaining weight loss after the program ends.

Participants will lose .5-2#/week during the 8 week program. They will also be able to verbalize what changes they need to continue to make.

**Partnerships/Collaboration:**

Elks rehab allows us to hold classes exercise classes in their gym. Their physical therapists work with us, through St. Luke's Healthy U contracting.

## **10. Program Name: Dodging Diabetes**

### **Community Needs Addressed:**

Obese/overweight adults  
Diabetes prevention

### **Target Population:**

General Community

### **Description and Tactics (How):**

Dodging diabetes is a free class typically offered 3 times/year. Class lengths have varied from one, 90 minute class, to three one hour classes. In this class, 5 principles of preventing Type 2 diabetes are addressed. The 5 principles are:

1. Eat a high fiber diet
2. Eat a low fat diet
3. If overweight, lose 5-7% of body weight
4. If the participant chooses to drink alcohol, limit drinks to 1/day for women and 2/day for men.
5. Exercise: aim for a total of 30 minutes/day.

### **Resources (budget):**

RD time (with prep time ~ 5 hours) \$110  
CDE time (with prep time ~ 5 hours)\* \$155  
Hospital/clinic conference room

**Total Estimated cost per session: \$265**

\*Based off national average hourly rate for CDEs  
For FY14, 3 sessions have been budgeted for.

### **Expected Program Impact on Health Need:**

Goal: 100% of participants are to verbalize their plan to reduce their risks of developing Type 2 diabetes.

### **Partnerships/Collaboration:**

None



## **11. Prom Name: Intuitive Eating Education Series**

### **Community Needs Addressed:**

Overweight/obese adults  
Overweight/obese teens

### **Target Population:**

General Community

### **Description and Tactics (How):**

Typically, this free class meets once per a week for 3-4 weeks and is offered typically once a year. The course work is based off Evelyn Tribole and Elyse Resch's book, Intuitive Eating: A Revolutionary Program that Works.

Classes are based off their 10 principles:

1. Reject the Diet Mentality
2. Honor your Hunger
3. Make Peace with Food
4. Challenge the Food Police
5. Feel your Fullness
6. Discover the Satisfaction Factor
7. Cope with your Emotions without Using Food
8. Respect your Body
9. Exercise-Feel the Difference
10. Honor your Health-Gentle Nutrition

### **Resources (budget):**

1. Registered dietitian to teach class (~ 10 hours of teaching/prep work) \$220
2. Conference room space

### **Expected Program Impact on Health Need:**

Goal: Participants will able to recognize feelings of hunger/fullness and appropriately respond to these signals. Patients will be able to avoid emotional eating. We track the number of participants per class. We have each participant complete a satisfaction assessment of the class and monitor ways to improve the classes. We will develop the satisfaction assessment into a Likert scale to create a baseline to begin tracking.

## **12. Program Name: Medical Nutrition Therapy**

### **Community Needs Addressed:**

Overweight/obese adults  
Overweight/obese teens

### **Target Population:**

General Community

### **Description and Tactics (How):**

Patients, typically referred by their physician, meet with a registered dietitian, one on one. In this meeting, habits are reviewed and goals are set. Patients learn how to problem solve and the basics of nutrition/weight managements. After the initial assessment many patients return to reassess their success and goals. Patients are charged for their individual visits, and have access to patient financial services if needed.

### **Resources (budget):**

The pt's bill covers the time spent.

### **Expected Program Impact on Health Need:**

Goal: Participants are able to successfully meet goals that are set by the patient.

For example:

- Lose 5-7% of body wt.
- Eat 5 servings of fruits/vegetables per day
- Be active a minimum of 30 minutes, 5 days/week.

We will continue to track the number of patients we see through this program. In FY 12 - 90 patients were seen and there is no anticipation that the number would increase or decrease in FY14.

### **Partnerships/Collaboration:**

None

### **13. Program Name: Corporate Wellness Challenge**

#### **Community Needs Addressed:**

Obese/Overweight Adults

#### **Target Population:**

Blaine County Employers and their Workforce

#### **Description and Tactics (How):**

St. Luke's contributes funding each year to The Wood River YMCA for its Corporate Wellness Challenge every Spring. Through education, awareness and personalized fitness coaching for employees, the outcome is to engage individuals about their health. There are numerous benefits of employer wellness programs.

Employers can be crucial to improving the health of their workers. Most adults spend more of their waking hours at work than anywhere else, making it a prime venue for promoting healthful habits. Creating a healthy lifestyle culture and environment in the workplace offers many benefits including:

- Weight reduction
- Improved physical fitness
- Increased stamina
- Lower levels of stress
- Increased well-being, self-image and self-esteem

Employers can also benefit from worksite wellness programs. According to recent research, employers' benefits are:

- Enhanced recruitment and retention of healthy employees
- Reduced healthcare costs
- Decreased rates of illness and injuries
- Reduced employee absenteeism
- Improved employee relations
- morale
- Increased productivity

The Corporate Wellness Cup offers: Health Screenings (including BMI and Cholesterol), Diet tips, exercise advice and consistent interaction with a YMCA health coach. Typically 12-15 employers participate each year.

#### **Resources (budget):**

The budget amount for St. Luke's Wood River is anticipated to be \$5,000. In addition, we participate as a Corporate Wellness Employer and will budget approximately \$1,000 for our own employees to participate. We average 50 employees participating each year.

**Expected Program Impact on Health Need:**

A healthy workforce is more productive and ultimately cuts on the operational cost of running a business.

Wood River YMCA measures pre and post BMI for each participant.

**Partnerships/Collaboration:**

Wood River Community YMCA

#### **14. Program Name: Ponte en Forma**

##### **Community Needs Addressed:**

Obese/overweight adults  
Obese/overweight teens  
Teen exercise

##### **Target Population:**

Any community member interested in exercise, with a focus specifically on the Latino community.

##### **Description and Tactics (How):**

Free, introductory membership (one month) to a local fitness center with access to classes, fitness machines, and fitness instruction from personal trainers.

##### **Resources (budget):**

St. Luke's pays our partner Fitness Center, Bigwood Fitness, \$30 per week for unlimited memberships (based on participation) to support the program. Other than minimal staff time to register participants there is very little cost to St. Luke's.

##### **Expected Program Impact on Health Need:**

Participation for FY12 was 44. FY13 October-March is 26.

We will create a baseline in FY14 to track the number of participants that become active member of Big Wood Fitness.

We have conducted formal and informal evaluations on program participation for this program, but have not tracked impact longitudinally.

##### **Partnerships/Collaboration:**

Bigwood Fitness provides free membership and instruction to participants at a limited cost to St. Luke's.

## **15. Program Name: Youth and Adult Sports Program Sponsorships**

### **Community Need Addressed:**

Obese/overweight Adults  
Obese/overweight Teens  
Teen exercise

### **Target Population:**

Teens and adults

### **Description and Tactics (How):**

Through the Community Sponsorship Fund, St Luke's provides sponsorship funding to the following organizations in support of their health and fitness associated events:

- Wood River Community YMCA
  1. Yeah! Program
  2. Corporate Wellness Cup
- Blaine County School District Athletic Programs
- Girls on the Run of the Wood River Valley
- Blaine County Recreation District
- Sawtooth Relay (through the American Cancer Society)
- St. Luke's Clinics for Reduced Rate Sports Physicals

### **Resources (budget):**

Community Sponsorship Fund. Funding provided for operating expenses for the programs listed above. All of these programs support and educate on opportunities for teen and adult exercise. For FY 14 the estimated value of above sponsorships is approximately \$20,000

### **Expected Program Impact on Health Need:**

All of the organizations listed above have program expectations to engage youth and adults in healthy living activities. In FY 14 we will request organizations that have program specific goals to report outcome data at the end of fiscal year.

### **Partnerships/Collaboration:**

St. Luke's has partnerships with all of the organizations listed above. We strive to work together on programs where it meets both of our missions. We often grant in-kind support as well (management, clinical volunteer time). These and all of our other partnerships are not only important but very valued by St. Luke's Wood River.

### **Program Group 3: Barriers to Access Programs Ranked as High Priority**

The programs in this section address the needs that center around barriers to access: Affordable care; affordable health insurance; more providers accept public health insurance; and children and family services for low income individuals.

#### **16. Program Name: Financial Care**

##### **Community Needs Addressed:**

- Affordable Care
- Affordable Health Insurance
- Accepts public health insurance

##### **Target Population:**

- Uninsured or underinsured adults
- Hispanic or other non-English speaking residents
- Low education; no college
- Low income adults and children in poverty
- Adults over the age of 65

##### **Description and Tactics (How):**

Our Community Needs Assessment identified uninsured patients, affordable care, affordable insurance, and providers accepting public health insurance as high priority needs. To address these needs, St. Luke's provides care to all patients with emergent conditions regardless of their ability to pay.

##### **Insurance/Payer Inclusion**

All St. Luke's providers and facilities accept all insurances, including Medicare and Medicaid. It is the patient's responsibility to provide the hospital with accurate information regarding health insurance, address, and applicable financial resources to determine whether the patient is eligible for coverage through existing private insurance or through available public assistance programs.

##### **Financial Screening and Assistance**

St. Luke's works with patients at financial risk to assist them in making financial arrangements through payment plans or by screening patients for enrollment into available government or privately sponsored programs that they are eligible for. These programs include, but are not limited to, various Medicaid programs, COBRA and County Assistance. St. Luke's does not only screen for these programs, they help the patient navigate through the application process until a determination is made. This thorough interview and screening process and the additional

layer of assistance until a determination is made has allowed St. Luke's to effectively assist our patients in finding the most appropriate program for them.

#### **Financial Care and Charity**

St. Luke's is committed to caring for the health and well-being of all patients, regardless of their ability to pay for all or part of the care provided. Therefore, St. Luke's offers financial care to patients who are uninsured and underinsured to help cover the cost of non-elective treatment. Charity Care services are provided on a sliding scale adjustment based on income (based on the Federal Poverty Guideline), expenses and eligibility for private or public health coverage.

#### **Resources (budget):**

The resources required to generate and support the Financial Care Process are primarily drawn from the organization's Patient Access and Financial Services departments. Administration of these programs includes registration roles (partially dedicated) in the clinic and hospital settings as well as Financial Advocates, Customer Care Specialists and County Care Coordinators. The budget for unreimbursed care for FY 14 is estimated to be over \$6 million.

#### **Expected Program Impact on Health Need:**

The impact from the program in helping patients using Medicare or Medicaid or who have low incomes in FY 2012 amounted to over \$5million as shown below.

- Charity - \$897,048
- Bad Debt - \$1,851,611
- Medicaid - \$1,502,955
- Medicare - \$943,647

St. Luke's will continue to promote accessible financial healthcare and individualized support for our patients in FY 14. We estimate these programs will contribute over \$6 million in unreimbursed patient care in FY 14 allowing many patients with low incomes or those using Medicaid and Medicare to have improved access to healthcare. We are also positioned to assist patients in applying for the Healthcare Reform Exchanges.

#### **Partnerships/Collaboration:**

St. Luke's works with commercial insurance companies, Health and Welfare (Medicaid), CMS, county commissioners, and Idaho Department of Insurance.

#### **Comments:**



**17. Program Name: Information and Referral Services through the St. Luke's Center for Community Health**

**Community Needs Addressed:**

Children and family services

**Target Population:**

General Community

**Description and Tactics (How):**

The St. Luke's Center for Community Health (CCH) connects our community to local health and mental health providers, social service agencies, government agencies, emergency services, and other nonprofit organizations. The CCH is open Monday – Friday, 9-5pm to provide information and referral services to anyone who needs this service. The highly trained staff meets one-on-one with those who are seeking information and referral services to fully understand all their potential health and social needs. The CCH is staffed by bilingual and English speaking staff.

**Resources (budget):**

The Center for Community Health's departmental budget is approximately \$380k and includes all services CCH offers, including information and referral services.

**Expected Program Impact on Health Need:**

This service connects patients and clients (community members) to appropriate resources to improve their social, mental and physical needs in a confidential and compassionate environment. The daily, weekly and monthly visits continue to increase every year with regard to individuals seeking information and referral services.

2010 – 2827 Client contacts

2011 – 3463 Client contacts

2012 – 4841 Client contacts

2013 – through mid-June – 1975

\*We do anticipate a decrease in the number of calls for information and referrals once our Mental Health Clinic opens in FY14.

**Partnerships/Collaboration:**

CCH partners with nearly every other nonprofit in the community, including the Blaine County School District, The Advocates, The Hunger Coalition, Mountain Rides, local law enforcement.

## **18. Program Name: Ketchum/Sun Valley Ministerial Fund**

### **Community Needs Addressed:**

Children and family services  
Affordable care  
Homeless services

### **Target Population:**

Anyone in the community needing emergency financial assistance for needs that impact their quality of life, such as medical assistance, rent, transportation, prescription assistance, dental care, day care, etc.

### **Description and Tactics (How):**

Religious organizations in the community make donations to the Ketchum/Sun Valley Ministerial fund at a level each organization determines for itself. These funds are then distributed to the community by the St. Luke's Center for Community Health and our partner organization, The Advocates for Survivors of Domestic Violence and Sexual Assault. Each individual is limited to a \$50 contribution per year from the fund. Funds are used primarily for community members needing emergency financial assistance for needs that impact their quality of life, such as medical assistance, rent, transportation, prescription assistance, dental care, and day care. Eligibility is determined by an application process.

### **Resources (budget):**

Contributions to the fund vary from year to year. Last year (2012, January – December) the contribution total was \$4388, this year (January – April 2013) the contributions have been a total of \$400. There is some staff time utilized to manage and distribute the funds, but we do not track that information.

Participation Rates:

2011 – 50

2012 – 55

2013, YTD - 23

### **Expected Program Impact on Health Need:**

Other than tracking numbers of people served and the contributions made to each person, we do not have additional outcomes. The number of participants will vary depending on what financial contributions are made (grants, private donations) to the fund. We know anecdotally from feedback we have received from recipients that the use of Ministerial Funds can make a significant difference in their ability to meet their basic needs.

**Partnerships/Collaboration:**

Local churches/religious organizations. The Advocates for Survivors of Domestic Violence.

**Comments:**

Instructions: Provide any additional comments you wish to make about the program.

## **Program Group 4: Additional Health Screening and Education Programs Ranked Above the Median**

The program in this section address the remaining health behavior needs that ranked above the median:

- Breast Cancer
- Cerebrovascular disease
- Sexually transmitted infections
- Teen birth rate
- Cholesterol
- Diabetic Screening
- Smoking

### **19. Program Name: Heart of the Matter Health Screening**

#### **Community Needs Addressed:**

Cholesterol and Diabetic Screening

#### **Target Population:**

Blaine County Adults (General Community)

#### **Description and Tactics (How):**

On an annual basis, St Luke's offers two reduced-fee health screenings for blood pressure, nutritional information and cholesterol and glucose. Anyone over the age of 18 has the opportunity to participate in the screenings. Lab results are sent directly to the person and we encourage members to actively share these results with their physician. If any critical values come back from the lab, our professional staff calls the participant personally and connect them with a primary care physician.

#### **Resources (budget):**

Hospital departments that participate are:  
St. Luke's Center for Community Health  
Nutritional Services  
Education  
Employee Wellness  
Hospital Administration  
Volunteer Services  
Integrative Therapies  
Laboratory

The operational budget expense for Heart of the Matter is approximately \$15k.

**Expected Program Impact on Health Need:**

We measure the success of this program by the number of participants that get screened on an annual basis. SLWR has offered this program to our community for nearly 15 years and we typically we screen between 900-1,100 each year, with this year's screening reaching 1008 participants. Our goal would be to screening 2.5% more people in FY 14.

**Partnerships/Collaboration:**

Partnerships include Blaine County Recreation District and the Presbyterian Church of the Big Wood for space needs. Mountain States Tumor Institute also partners with us by attending and providing educational screening materials and tools.

**Comments:**

SLWR feels this is one of our most important and successful programs we offer to our community.

## **20. Program Name: St. Luke's Center for Community Health Brown Bag Talks**

### **Community Needs Addressed:**

Alcohol  
Obese/overweight adults  
Mental illness  
Suicide  
Breast Cancer  
Cerebrovascular Disease  
Cholesterol

### **Target Population:**

General Community

### **Description and Tactics (How):**

Free one-hour health related talks to the community. These talks are held weekly using our own physicians and licensed health care workers.

### **Resources (budget):**

SLWR Medical Staff and other licensed care workers. Budget is minimal as we don't pay the speakers. Any expense is related to staff time in preparing for the talks. Expected operational salary cost for FY14 is approximately \$1500.

### **Expected Program Impact on Health Need:**

Success of the Brown Bag talks is determined by the number of attendees to each talk. We track these numbers for every talk provided in the community. In addition, topics are determined and approved by the Senior Leadership Team of the medical center to ensure relevancy to the community. This fiscal year to date we have had 356 participants and look to increase total participation in FY 14 by 5%.

### **Partnerships/Collaboration:**

Collaboration efforts are with the staff of the St. Luke's Center for Community Health and the medical staff of the hospital. We also partner with other community nonprofits for specific topics ie. Hospice.

### **Comments:**

The Brown Bag Talks are often very well attended by community members. We are proud of this educational asset we bring to the community.

## **21. Program Name: Breast Screening for the Uninsured and Underinsured Women Project**

### **Community Needs Addressed:**

Mammography screening

Breast Cancer

### **Target Population:**

Our project targets uninsured and underinsured women accessing mammography screening in our service area. Our project specifically targets those women living in counties within Idaho's Health District #5. Mammogram scholarships are available to women ages 20 and above. The grant specifically works to encourage Hispanic women to access these funds. Reduced rates are determined on the individual's financial situation and ability to pay.

### **Description and Tactics (How):**

The goal of the St. Luke's Wood River Breast Screening for the Uninsured and Underinsured Women Project is to fund screening and/or diagnostic mammograms and/or breast ultrasound, thus removing cost as a barrier for women accessing breast health services, identifying cancer at an earlier stage when it is easier to treat, and ultimately increasing the survival rate of women receiving support from this project. This project is funded through the Idaho Affiliate, Susan G. Komen for the Cure.

According to a 2011 article from the Idaho Department of Health and Welfare, more than a third of Idaho women over 40 did not receive important breast cancer screening in the last two years, making Idaho last out of 50 states and the District of Columbia in cancer screening mammogram rates.

The Cancer Data Registry of Idaho estimates there are over 122,000 Idaho women over the age of 40 who have not had a mammogram in the previous two years.

Recognizing the direct connection between access to mammography screening and decreased incidence of cancer and death, St. Luke's Wood River has made it a priority to provide the most advanced breast imaging technology available for all women in our rural service area.

This project provides funding for the costs of screening and or/diagnostic mammograms and/or breast ultrasound for women 25 years of age and older. These scholarships will help offset the cost of care for patients with limited financial means and will help to increase mammography and other women's health screening rates in our service area. St. Luke's Wood River works with local providers of women's health care to encourage women in high risk populations to utilize the funds available through this grant. This effort will result in identifying cancer at earlier stages

when it is easier to treat, potentially increasing the survival rate of women receiving support from this project.

This program is vital in our effort to encourage all women in our community to access mammography services. Given the continuing uncertain economic climate, we anticipate that preventative healthcare services, such as mammograms, are one of the things women will delay to pay for other household expenses. Now, more than ever, women in our community need this assistance.

Providing funding for financial scholarships for women receiving mammograms, breast ultrasound, and other important health screenings is an important part of St. Luke's Wood River's community outreach to encourage women to access mammography services. It is our goal that reducing the cost of mammograms will increase access, thereby ultimately leading to a reduction in late-stage diagnosis of breast cancer.

**Resources (budget):**

\$15,000 for screening mammography and diagnostic services

**Expected Program Impact on Health Need:**

Success of our program will be measured by the number of women who receive mammography services, the number of first mammograms provided, the number of abnormal results and the number of breast cancers and the stage of breast cancers identified.

**Partnerships/Collaboration:**

St. Luke's Wood River Breast Screening for the Uninsured and Underinsured Women Project is made possible through a partnership with the Idaho Affiliate, Susan G. Komen for the Cure, St. Luke's Wood River and St. Luke's Wood River Foundation.

St. Luke's Wood River Medical Center will continue to collaborate with local providers of women's health care, St. Luke's Mountain States Tumor Institute (MSTI), Breast Care Diagnostic Center (BCDC), the Department of Health, the St. Luke's Center for Community Health and St. Luke's Family Medicine to encourage women in high-risk populations to utilize the funds available through this program.

The St. Luke's Center for Community Health will also provide information, brochures, referrals, community education forums, and an annual health fair with culturally appropriate information about breast cancer awareness, breast cancer screening, and financial resources available such as the Komen grant that help pay for the costs of screening and diagnostic mammograms.

**Comments:**



## **22. Program Name: Breast Cancer Support and Networking Group**

### **Community Needs Addressed:**

Breast cancer

### **Target Population:**

Community members diagnosed with breast cancer.

### **Description and Tactics (How):**

This free support group provides a connection with others who have been diagnosed with breast cancer for information and support. Meets monthly for an hour, facilitated by a licensed clinical social worker. Additionally, participants provide support to each other outside of the support group through emails, phone calls, and private gatherings.

### **Resources (budget):**

Managing this group takes limited resources, primarily the time utilized by our social worker to facilitate the group, which equates to about \$1,000.

### **Expected Program Impact on Health Need:**

We do not currently have outcome measurements for this program other than tracking the number of people who attend. This is support group that has no requirement to attend.

### **Partnerships/Collaboration:**

American Cancer Society provides wigs, scarves, hats, and make up to the Center for Community Health, free of charge, to people who have a diagnosis of cancer.

### **Comments:**

Instructions: Provide any additional comments you wish to make about the program.

### **23. Program Name: Look Good Feel Better**

#### **Community Needs Addressed:**

Breast cancer

#### **Target Population:**

Any community member with a diagnosis of cancer

#### **Description and Tactics (How):**

This program is a partnership with the American Cancer Society. They donate wigs, scarves, hats, and make up to the Center for Community Health which then distributes these items to community members in need. People find out about the items through the Center's program brochure and through our Breast Cancer Support and Networking Group and our Cancer Support and Networking Group.

#### **Resources (budget):**

Resources utilized by the American Cancer Society are unknown. Minimal resources are used by St. Luke's to distribute the items.

#### **Expected Program Impact on Health Need:**

Unknown other than tracking number of people who receive items.

#### **Partnerships/Collaboration:**

American Cancer Society

#### **Comments:**

Instructions: Provide any additional comments you wish to make about the program.

## **24. Program Name: Cuidate/Youth in the Know**

### **Community Needs Addressed:**

Sexually transmitted infections  
Teen birth rate

### **Target Population:**

Initially the program started out targeting Hispanic/Latino ages 13-18 and then included anyone between the ages of 13-18 to get more participants.

### **Description and Tactics (How):**

Cuidate/ Youth In the Know (YitK) is a free course for youth ages 13-18. YitK is designed to provide information to help youth through life's challenges. YitK is an interactive class that gives youth the space to talk openly about the pressures they face and to get factual and accurate responses to the questions they have. YitK is facilitated by adult health educators and trained peer leaders. The program is also designed to help our youth develop the knowledge, attitudes, and skills to reduce health risks related to sexual behavior, such as pregnancy and sexually transmitted diseases.

Typically the program is offered as a three class series for 2 hours each class.

### **Resources (budget):**

Part time facilitation hours by a St. Luke's employee and a Planned Parenthood employee, for the cost of approximately \$1,200.

### **Expected Program Impact on Health Need:**

We measure the following impact on program participants through a pre and post survey:

- Participants of Cuidate will be able to explain how Latino cultural values put them at risk for- or protect them from contracting sexually transmitted infections (STIs).
- Participants of both Cuidate and Youth in the Know will state correct information about HIV and other infections, transmission, causes, and prevention of STIs and pregnancy.
- Participants of both programs will be able to demonstrate the correct use of a condom.
- Participants of both programs will have increased self efficacy in their skills.
- Participants of both programs will demonstrate an increased responsibility for their own

### **Partnerships/Collaboration:**

This program is a partnership between St. Luke's Center for Community Health and Planned Parenthood of the Great Northwest.